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7	UNITED STATES I WESTERN DISTRICT	Γ OF WASHINGTON				
8	AT SEA	ATTLE				
9	THE CHARTER OAK FIRE INSURANCE					
10	COMPANY AND TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA,	Case No. 2:21-cv-00	0093-RSM			
11	Plaintiffs,	DECLARATION O WOZNIAK IN SUI				
12	v.	PLAINTIFFS' MO PARTIAL SUMMA				
13	CHAS. H. BERESFORD CO., INC., and	JUDGMENT				
14	CHARLES H. BERESFORD CO., INC., Washington corporations,					
15	Defendants.					
16		<u>L</u>				
17	I, Alex Wozniak, declare and state as follows:					
18			· P. 1.			
19	I am an Associate Account Execut	tive in the Travelers Strate	egic Resolution Group			
20	(SRG), and I have personal knowledge of the sub	jects addressed in this dec	claration.			
21	2. Attached as Exhibit 1 is a true and	correct copy of the Amer	nded Complaint in the			
22	action Northshore School District v. Chas. H. Bei	resford Co., Inc., Case No	o. 20-2-18141-2 SEA			
23	pending in King County Superior Court ("Underl	ying Action") which was	received by Travelers			
24	on or about March 17, 2021 from Shawn Hicks, counsel for Beresford.					
25		<b>20.00.014.</b>				
26						
27	DECLARATION OF ALEX WOZNIAK IN SUPPORT OF PLAINTIFFS' MOTION FOR PARTIAL SUMMARY JUDGMENT (2:21-cv-00093-RSM) - 1 4810-9387-3373v.2 0023566-000132		Davis Wright Tremaine LLP  LAW OFFICES 1300 SW Fifth Avenue, Suite 2400			

DECLARATION OF ALEX WOZNIAK IN SUPPORT OF PLAINTIFFS' MOTION FOR PARTIAL SUMMARY JUDGMENT (2:21-cv-00093-RSM) - 2 4810-9387-3373v.2 0023566-000132

# EXHIBIT 1

AMENDED COMPLAINT - 1

Plaintiff Northshore School District, by and through its undersigned attorneys, brings this Amended Complaint against Defendant Chas. H. Beresford Co., Inc., *d/b/a* Beresford Company ("Beresford"), and alleges as follows:

#### **PARTIES**

- 1. Plaintiff Northshore School District (the "School District") is a municipal corporation operating in King County and Snohomish County, Washington under Title 28A RCW.
- 2. Defendant Beresford is a Washington corporation with its principal place of business located at 1829 10th Avenue West, in Seattle, Washington.

#### JURISDICTION AND VENUE

- 3. Jurisdiction is vested in this Court pursuant to RCW 2.08.010, as the amount in controversy exceeds \$300.
- 4. Venue is proper in this Court pursuant to RCW 4.12.025(1) and RCW 4.12.025(3) because Beresford resides in King County.

#### **FACTS**

#### A. Background

- 5. The School District owns and operates Lockwood Elementary School located at 24118 Lockwood Road in Bothell, Washington ("Lockwood Elementary").
- 6. In 2018, voters passed a bond that included funding for extensive improvements to Lockwood Elementary.
- 7. The contemplated improvements included replacement of flooring throughout the school and upgrades to school bathrooms, including bathrooms located in classroom foyers ("Project").

AMENDED COMPLAINT – 2

- 8. The School District engaged Beresford for the Project through the King County Directors' Association ("KCDA"), a local purchasing cooperative. KCDA is owned by 294 public school districts in the state of Washington and is located in Kent, Washington.
- 9. In its role as a purchasing cooperative, KCDA awarded Contract No. 19-340 to Beresford on or about April 18, 2019. Thereafter, on or about April 17, 2020, KCDA awarded Contract No. 20-340 to Beresford, replacing Contract No. 19-340. Collectively, Contract No. 19-340 and Contract No. 20-340 are referred to herein as "KCDA Contract 340."
- 10. Under KCDA Contract 340, Beresford agreed to perform, on a purchase order-by-purchase order basis, various commercial carpet and specialty flooring installation services for the benefit of KCDA's members, including the School District.
- 11. On or about May 12, 2020, the School District issued Purchase Order No. P190139 to KCDA to engage Beresford to perform, through itself and through its subcontractors, the Project, thereby "piggybacking" off of KCDA Contract 340.
- 12. KCDA thereafter engaged Beresford to perform the work encompassed by the School District's Purchase Order No. P190139 under KCDA Contract 340.
- 13. Beresford's agreement with KCDA to perform work in connection with the Project for the School District's benefit is referred to herein as the "Contract."
- 14. Beresford began performing work related to the Project on or about June 8, 2020.
- 15. Before Beresford began performing work on the Project, the School District provided Beresford (for its own benefit and to provide to its subcontractors) with a good faith estimate of the asbestos and other building elements that Beresford should expect to encounter at the school.

AMENDED COMPLAINT – 3

16. Beresford's work on the Project was comprised of two distinct components: flooring and bathroom upgrades. Beresford performed the Project's flooring work through itself and subcontractors and subcontracted work related to bathroom upgrades to its subcontractor, Cobra Construction Company ("Cobra").

#### **B.** Bathroom Upgrade Project Scope

- 17. The planned bathroom upgrades involved replacement of existing tile, painting, installation of upgraded hardware, miscellaneous repairs, and other associated work.
- 18. The bathroom upgrades were not expected to include work associated with plumbing systems in the wall cavities of the school.
- 19. During the Project, Cobra recommended "replacing the galvanized nipples (known to fail) with brass nipples where this situation occurs to prevent electrolysis, while [Cobra was] installing all new hardware."
- 20. In addition, Cobra recommended "new backer board in all restrooms for ease of new tile installation and longevity, as well as to have access to old plumbing, so [Cobra could] correct the original plumbing that is currently copper and galvanized nipples, to copper and brass nipples due to electrolysis."
- 21. The School District reasonably interpreted the foregoing recommendations to relate to the replacement of exterior plumbing components and fixtures.
- 22. While the School District deferred to Beresford and Cobra to determine the means and methods for how their Project work would be carried out, the School District at no time authorized Beresford or Cobra to perform plumbing (or other) work in the wall cavities of the school.

AMENDED COMPLAINT – 4

23. The School District also at no time authorized Cobra to perform any asbestos abatement work in connection with the Project.

#### C. Initial Damage to Lockwood Elementary

- 24. During the bathroom component of the Project, Cobra improperly accessed in-wall components of the school. This work was not authorized by the School District and it was not included within the Project scope.
- 25. In addition, Cobra improperly performed work to existing plumbing components in the wall cavities of the school, including removing "hard fittings" from existing in-wall plumbing components and replacing certain existing piping. This work damaged the existing conditions within the wall cavities and was not authorized by the School District or included within the Project scope.
- 26. In conjunction with improperly removing the "hard fittings" from existing inwall plumbing components, Cobra improperly discarded some hard fittings within the school's wall cavities. Cobra's discarding of existing plumbing components in wall cavities caused further damage and was not authorized by the School District and was not included within the Project scope.
- 27. The unauthorized work referenced in paragraphs 24-26 caused property damage and resulted in significant additional damage to areas throughout the school as set forth in Section D below.

#### D. Asbestos Disturbance and Associated Property Damage

28. In addition to the property damage referenced in Section C above, Cobra improperly and negligently disturbed asbestos containing materials ("ACM") in the bathroom wall cavities. This unanticipated asbestos disturbance in turn caused significant and extensive damage to building components and other property throughout the school.

AMENDED COMPLAINT – 5

- 29. The School District first learned of Cobra's disturbance of ACM in early July 2020.
- 30. On or about July 2, 2020, a representative from the School District's environmental consultant, PBS Engineering and Environmental, Inc. ("PBS"), raised during a weekly meeting with the School District that he had observed certain ACM around bathroom plumbing components.
- 31. The School District and representatives from PBS and Cobra proceeded to tour areas of the school to assess the issue on the afternoon of July 2. The School District likewise contacted Beresford to alert it of the issue.
- 32. During the July 2 tour, Cobra's president indicated that Cobra was aware the hard fittings on existing plumbing contained ACM, and that Cobra knew not to disturb these materials as part of its work.
- 33. During the July 2 tour, on PBS's recommendation, backer board was removed from the restrooms in the foyer of Classrooms 2 and 3 to further assess the issue.
- 34. It was determined that hard fittings with ACM had been removed from the existing piping and dropped to the bottom of the wall cavity.
- 35. In addition, residual ACM was observed in locations where new piping had been installed.
- 36. When the situation was reviewed again the next day, it was determined (and Cobra acknowledged) that Cobra had stripped hard fittings off certain pipes in the school bathroom wall cavities.
- 37. As outlined above, Cobra was not authorized or qualified to perform any work involving asbestos.

Perkins Coie LLP 1201 Third Avenue, Suite 4900 Seattle, WA 98101-3099

Phone: 206.359.8000 Fax: 206.359.9000

- 38. Cobra's replacement of piping in the wall cavities of the school bathrooms (and associated removal of hard fittings) was also not required by the Project scope of work and had not been authorized by the School District.
- 39. When Cobra performed this work, the asbestos-containing hard fittings were removed from the piping and some were dropped into the wall cavities.
  - 40. Residual ACM was observed in the wall cavities and on the pipe fittings.
- 41. After the ACM disturbance was first observed, PBS collected samples from different rooms throughout Lockwood Elementary. These tests revealed elevated concentrations of asbestos fibers in several areas.
- 42. Based on its initial test results, PBS collected additional samples to assess the extent of contamination within areas of the upper and lower classroom wings. Lab analysis of these samples revealed contamination in areas throughout both classroom wings and the school gym.
- 43. Additional samples were later collected in the HVAC system (which had been fully replaced in 2019), which was also determined to be impacted by asbestos contamination.
- 44. Additional inspection revealed that upper wing and lower wing foyer restroom wall cavities accessible to the School District had evidence of hard fittings that had been impacted.
- 45. In addition, it was revealed that asbestos contamination had impacted various items of School District and personal property in Lockwood Elementary.
- 46. PBS's preliminary findings were discussed on the Project site with Beresford and Cobra on July 13, 2020. The District thereafter provided a comprehensive summary of PBS' findings to Beresford and Cobra.

AMENDED COMPLAINT – 7

- 47. Following completion of PBS's testing, the School District developed a plan to remediate the damage to property throughout Lockwood Elementary to ensure the ongoing safety of the School District's students, teachers and staff.
- 48. As part of this plan, the School District determined that the HVAC systems associated with classrooms at Lockwood Elementary were damaged and would need to be completely replaced.
- 49. In addition, it was determined that extensive cleaning, remediation, and repairs would be required to eliminate the asbestos and remediate the damage throughout the school.
- 50. Despite demand, Beresford has not agreed to reimburse the School District the damages the School District has and will incur to remediate the property damage that Beresford and its subcontractor caused.
- 51. As the general contractor on the Project, Beresford is fully responsible for the work performed by its subcontractor, Cobra.

#### E. Summary of Beresford's Breaches of Contract

- 52. The Contract contained a number of protections designed to guard against the types of property damage that occurred at Lockwood Elementary.
- 53. Among other obligations, Beresford agreed that "work shall be completed in accordance with applicable laws, ordinances, codes, and regulations," and further that its work would "comply with all applicable local, state and federal laws, ordinances, rules, regulations and orders of any public authority building and construction codes, and safety regulations bearing on the safety of people and property and their protection from damage, injury or loss," including those addressing the discovery, disturbance, and remediation of asbestos. Contract, General Requirements & Conditions, Paragraphs 1 and 19.

AMENDED COMPLAINT – 8

- 54. Beresford further agreed to "protect all school occupants and property from injury or damage caused by the work[.]" Contract, General Requirements & Conditions, Paragraph 7.
- 55. In addition, Beresford agreed "to repair, at [Beresford's] expense, any damage caused by [Beresford] while working pursuant to [the Contract]." Contract, General Requirements & Conditions, Paragraph 8.
- 56. Further, Beresford agreed that it would be "fully responsible and liable for the acts or omissions of all Subcontractors and Suppliers including persons directly or indirectly employed by them, their guests, and invitees." Contract, General Requirements & Conditions, Paragraph 18.
- 57. By causing and/or allowing the initial property damage referenced in Section C above, Beresford breached these and other contractual obligations, both directly and through the breaches of its subcontractor, Cobra.
- 58. By causing and/or allowing the asbestos disturbance and attendant property damage to Lockwood Elementary referenced in Section D above, Beresford breached these and other contractual obligations, both directly and through the breaches of its subcontractor, Cobra.
- 59. Due to Beresford's material breaches of the Contract, the School District has been and will be required to fund substantial costs to remediate the property damage at Lockwood Elementary.
- 60. Beresford is responsible to KCDA (and by extension, the School District) for all damages that resulted from its breaches of the Contract.

1201 Third Avenue, Suite 4900 Seattle, WA 98101-3099

Phone: 206.359.8000 Fax: 206.359.9000

Perkins Coie LLP

#### F. KCDA's Assignment of Claims

- 61. On or about December 16, 2020, KCDA executed a valid assignment assigning all claims it holds against Beresford under the Contract to the School District.
- 62. While the School District is a third-party beneficiary of KCDA's Contract with Beresford, it also asserts these claims as an assignee of KCDA's claims, which allow the School District to be in privity with Beresford for purposes of the claims asserted in this Amended Complaint.

### FIRST CAUSE OF ACTION (Breach of Contract)

- 63. The School District realleges and incorporates by reference, as if fully set forth herein, the allegations in paragraphs 1-62 above.
  - 64. KCDA and Beresford entered into a valid and enforceable Contract.
  - 65. KCDA has assigned its claims under the Contract to the School District.
  - 66. In addition, the School District is a third-party beneficiary of the Contract.
- 67. Beresford's conduct, acts, errors, omissions and failures, as described in this Amended Complaint, constituted material breaches of the Contract.
- 68. Beresford's material breaches have directly and proximately damaged the School District in an amount to be proven at trial.

#### PRAYER FOR RELIEF

WHEREFORE, the School District prays for the following relief:

- A. Judgment in favor of the School District and against Beresford;
- B. Actual damages against Beresford in such amounts as may be proven at trial;
- C. Costs of suit, including attorneys' fees, as allowed by Contract and/or applicable law;

AMENDED COMPLAINT – 10

- D. Interest on the entire judgment at the highest rate allowable by law; and
- E. Such other relief as the Court may deem just and proper.

DATED: March 16, 2021

#### s/Andrew L. Greene, WSBA No. 35548

AGreene@perkinscoie.com Nicholas P. Gellert, WSBA No. 18041 NGellert@perkinscoie.com Mica D. Klein, WSBA No. 46596 MicaKlein@perkinscoie.com
Perkins Coie LLP

1201 Third Avenue, Suite 4900 Seattle, WA 98101-3099 Telephone: 206.359.8000 Facsimile: 206.359.9000

Attorneys for Plaintiff Northshore School District

AMENDED COMPLAINT - 11

#### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on March 16, 2021, I electronically filed the foregoing document with the Clerk of the Court using the King County Superior Court eFiling system, and served all parties registered to accept e-service via the Court's eFiling application pursuant to Local General Rule 30.

DATED this 16th day of March, 2021

s/ Carla Bone, Legal Practice Assistant CBone@perkinscoie.com

CERTIFICATE OF SERVICE - 1

# EXHIBIT 2

LAW OFFICES OF

### A. SHAWN HICKS

A Professional Service Corporation

800 Fifth Avenue, Suite 4100 • Seattle, WA 98104 • (206) 812-1414 • Fax: (206) 812-1418

ShawnHicks@att.net

December 30, 2020

Alex Wozniak Associate Account Representative One Tower Square Hartford, CT 06183

#### **TENDER OF DEFENSE**

Re: Case Name: Northshore School District v. Chas. H. Beresford Co. Inc.

Court: King County Superior Court, Cause No. 20-2-18141-2 SEA

Plaintiff: Northshore School District Insured: Charles H. Beresford Co. Inc.

File No.: FNF3193

Dear Mr. Wazniak:

Our office has been retained to represent Charles H. Beresford Co. Inc. (Beresford), your insured, in a lawsuit brought by the Northshore School District (School District) arising out of work performed at the Lockwood Elementary, in Bothell, WA (Project) by Cobra Construction Company (Cobra), a subcontractor to Beresford.

The School District has claimed that Cobra's work at the Project was negligent and mproper, causing property damage. The School District alleges that:

19. When the situation was reviewed again the next day, it was determined (and Cobra acknowledged) that Cobra had stripped insulation off certain pipes in the school bathroom wall cavities.

and

22. Cobra's replacement of piping in the wall cavities of the school bathrooms was not called for by the original scope of work and had not been authorized by the School District.

As such, the School District's complaint alleges that Cobra's negligence resulted in property damage (a) to drywall and related wall cavities, (b) to insulation, and (c) to piping, all of which the School District alleges were not in Cobra's scope of work and had not been authorized by the School District. The School District also alleges various other property damage claims in the enclosed complaint, all of which were proximally caused by and/or resulted from the covered

Alex Wozniak Page - 2 December 30, 2020

initial occurrences performed by Cobra. Because Cobra was Beresford's subcontractor, the School District claims that Beresford is liable for Cobra's negligence, causing property damage.

Beresford tenders defense to Travelers under Travelers' policy number Y-630-9N857616-COF-19 and any other, applicable policy. This tender includes, but is not limited to, reimbursement for attorney's fees and costs incurred to date and until acceptance of this tender.

In Washington, an insurer's duty to defend is both independent from and broader than the duty to pay (indemnification). *Safeco Ins. Co. of Am. v. McGrath*, 42 Wn. App. 58, 61, 708 P.2d 657 (1985) (holding that an insurer's duty to defend its insured is generally broader than its duty to indemnify). The duty to defend is triggered if the insurance policy "conceivably covers the allegations in the complaint." *Woo v. Fireman's Fund Ins. Co.*, 161 Wn.2d 43, 164 P.3d 454 (2007). Most policies require an insurer to defend even if the allegations of a lawsuit are "groundless, false or fraudulent." *State Farm Gen. Ins. Co. v. Emerson*, 102 Wn.2d 477, 485, 687 P.2d 1139 (1984). A liability insurer must provide a defense, irrespective of the merits of the claim, but only if there is, or could be, coverage under the policy. *Id.* at 486. Even when a policy has a pollution exclusion, the insurer owes defense and coverage when a nonpolluting event that is a covered occurrence causes toxic pollution to be released, resulting in damages. *Xia v. ProBuilders Specialty Ins. Co*, 188 Wash.2d 171, 400 P.3d 1234 (2017). The non-polluting events and property damage here are the negligent damage to the drywall, insulation and pipes.

The allegations in this case unquestionably trigger a duty to defend Beresford in this lawsuit. **Time is of the essence**.

I ask that you forward this correspondence to any appropriate persons or entities so the tender can be timely handled. Please contact me should you have any questions about the above.

Very truly yours,

A. Shawn Hicks

ASH/sh Enclosure

cc: Beresford

HUB

# EXHIBIT 3



Alex Wozniak

Associate Account Executive Strategic Resolution Group One Tower Square Hartford, CT 06183 Phone: (860) 954-0396

Email: <a href="mailto:awozniak@travelers.com">awozniak@travelers.com</a>

#### VIA E-MAIL

January 25, 2021

A. Shawn Hicks Law Offices of A. Shawn Hicks 800 Fifth Avenue – Suite 4100 Seattle, WA 98104

E-mail: ShawnHicks@att.net

Policyholder: Charles H Beresford Co Inc; Chas H Beresford Co Inc

("Beresford")

File Number: 772 ER FNF3193 F

Lawsuit: Northshore School District, a Washington Municipal Corporation v.

Chas H. Beresford Co., Inc., Superior Court of Washington, King

County, Case No: 20-2-18141-2 SEA

Primary Policy: Y-630-9N857616-COF-19, effective 10/31/19 to 10/31/20 CUP Policy: CUP-9N868772-19-14, effective 10/31/19 to 10/31/20

Dear Mr. Hicks:

This letter is in response to your December 30, 2020 tender of the above-referenced Lawsuit on behalf of Beresford.

We have reviewed the Lawsuit, the Primary Policy and the CUP Policy issued to Beresford by The Charter Oak Fire Insurance Company and Travelers Property Casualty Company of America, respectively (collectively, "Travelers"). As you are aware, we first received notice of this matter as a claim and, on November 13, 2020, we denied coverage based on the exclusionary language cited below. Following your tender of the Complaint filed in the Lawsuit, we reevaluated our denial. However, it remains our position that the exclusions cited below apply and Travelers has no duty to defend or indemnify Beresford in the Lawsuit. Notwithstanding that position, Travelers will agree to participate in the defense of Beresford in the Lawsuit, subject to a complete reservation of rights, including the right to recoup amounts spent in the defense of Beresford as described below.

According to the Lawsuit, Beresford was hired to perform improvements to the Lockwood Elementary School in Bothell, WA. Beresford performed the flooring work while its subcontractor, Cobra Construction, performed work related to bathroom upgrades. The plaintiff alleges that while performing the bathroom upgrades, Cobra Construction negligently and without authorization disturbed and dispersed asbestos-containing materials resulting in property damage to the HVAC system and other building components and the determination that extensive asbestos remediation would be required to impacted areas of the school. Plaintiff

A. Shawn Hicks January 25, 2021 Page 2 of 8

alleges Beresford is fully responsible for the work performed by its subcontractor, Cobra Construction.

To the extent Beresford has not already done so, we suggest that Beresford notify and tender this Lawsuit to its subcontractor, Cobra Construction, and its insurance carrier, per the *Insurance* section and *Addendum A* of the Independent Contractor Agreement dated January 1, 2020, and provide Travelers with a copy of that tender and their response. Further, Beresford should also notify any additional insurance carriers, including any carrier who may have issued a Pollution Liability Insurance policy to Beresford.

The Primary Policy contains the following exclusions, which state in pertinent part:

#### **COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

. . .

#### 2. Exclusions

This insurance does not apply to:

. . .

#### f. Pollution

(1) "Bodily damage" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants";

\* \* \*

- (c) If such "pollutants" are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - (i) Any insured; or
  - (ii) Any person or organization for whom you may be legally responsible;

\* \* \*

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are or were at any time performing operation to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:

A. Shawn Hicks January 25, 2021 Page 3 of 8

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- **(b)** Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

#### s. Asbestos

- (1) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "bodily injury" or "property damage" is caused or contributed to by the hazardous properties of asbestos.
- (2) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "bodily injury" or "property damage described in Paragraph (1) above.
- (3) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or other test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, asbestos, asbestos fibers or products containing asbestos; or
  - (b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

As Northshore is seeking costs arising out of the dispersal and release of asbestos arising directly from the work of Beresford under the contract, the above exclusions apply and Travelers has no duty to defend or indemnify Beresford in the Lawsuit.

Notwithstanding Travelers conclusion that it has no duty to defend or indemnify Beresford in the Lawsuit as set-out above, Travelers will participate in the defense of the Lawsuit under the Primary Policy. Travelers participation in the defense of the Lawsuit under the Primary Policy is

A. Shawn Hicks January 25, 2021 Page 4 of 8

not intended, and should not be deemed or construed, as an admission that any coverage is available for this matter or a waiver of any right or defense to coverage available to Travelers, whether under the Primary Policy or at law or in equity. Further, Travelers specifically reserves its right to deny coverage for some or all of the claims in connection with this matter, including, but not limited to, its right to assert:

- 1. Should our investigation or discovery determine that this matter does not constitute a claim for damages because of "property damage" caused by an "occurrence", as those terms are defined in the Primary Policy, no coverage will be provided.
- 2. Coverage will not apply to any "property damage" expected or intended from the standpoint of the insured.
- 3. No insured will, except at the insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- In accordance with policy provisions and/or applicable case law, coverage may not apply
  to any declaratory or injunctive relief, punitive damages, fines or penalties alleged or
  awarded in the Lawsuit.
- 5. This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis, that is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work" or any of the other insurance, whether primary, excess, contingent or on any other basis, that is available to the insured when the insured is an additional insured, or is any other insured that does not qualify as a named insured, under such other insurance.
- 6. Coverage will not apply to "bodily injury" or "property damage" for which liability is assumed in a contract or agreement except that which the insured would have in the absence of the contract or agreement.
- 7. Any payments that might be made by Travelers for this matter are subject to the applicable limit of liability as contained in the Primary Policy.
- 8. Should any applicable limit of liability be exhausted, Travelers obligation in this matter will simultaneously terminate.

Furthermore, the Primary Policy contains endorsement IL **01 23 11 13** titled **WASHINGTON CHANGES – DEFENSE COSTS** which changes the Primary Policy and states in pertinent part:

This endorsement modifies insurance provided under the following:

. . .

COMMERCIAL GENERAL LIABILITY COVERAGE PART COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

• •

A. Shawn Hicks January 25, 2021 Page 5 of 8

- **A.** The provisions of Paragraph **B.** are added to all Insuring Agreements that set forth a duty to defend under:
  - 1. Section I of the Commercial General Liability, Commercial Liability Umbrella...

Paragraph **B.** also applies to any other provision in the policy that sets forth a duty to defend.

**B.** If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that none of the claims ("claims"), for which we are provided a defense or defense costs, are covered under this insurance, we have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement under this provision will only apply to the costs we have incurred after we notify you in writing that there may not be coverage and that we are reserving our rights to terminate the defense or the payment of defense costs and to seek reimbursement for defense costs.

Travelers reserves all of its rights for recoupment of defense costs paid under reservation pursuant to endorsement. IL 01 23 11 13 titled WASHINGTON CHANGES – DEFENSE COSTS, referenced above.

We have also reviewed Excess Follow-Form and Umbrella Liability Insurance Policy CUP-9N868772-19-14, effective from October 31, 2019 to October 31, 2020 issued to Beresford by Travelers Property Casualty Company of America. Pursuant to the CUP Policy, we would only have an obligation under Coverage **A** to pay covered sums in excess of the "applicable underlying limit" or under Coverage **B** in excess of the "self-insured retention". In addition, any obligations we might owe under the CUP Policy are also subject to all other terms, conditions, endorsements, and/or exclusions of the CUP Policy. Furthermore, except with respect to any provisions contained to the contrary in the CUP Policy, Coverage **A** of the CUP Policy is subject to the same terms, conditions, agreements, exclusions and definitions as the Primary Policy, including, but not limited to, the above cited pollution exclusion.

The CUP Policy contains the following exclusions which state in pertinent part:

#### **SECTION IV – EXCLUSIONS:**

This insurance does not apply to:

**A.** With respect to Coverage **A** and Coverage **B**:

#### 1. Asbestos

**a.** Damages arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products

A. Shawn Hicks January 25, 2021 Page 6 of 8

- containing asbestos, provided that the damages are caused or contributed to by the hazardous properties of asbestos.
- **b.** Damages arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any damages described in Paragraph **a.** above.
- **c.** Any loss, cost or expense arising out of any:
  - (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, asbestos, asbestos fibers or products containing asbestos; or
  - (2) Claim or "suit" by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

#### **B.** With respect to Coverage **B**:

#### 5. Pollution

- **a.** "Bodily injury," "property damage," "personal injury" or "advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants".
- **b.** Any loss, cost or expense arising out of any:
  - (1) Request, demand, order or statutory or regulatory requirement that any insured or any other person or organization test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (2) Claim or "suit" by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

Northshore is seeking costs arising out of the dispersal and release of asbestos. Therefore, even if the "applicable underlying limit" or "self-insured retention" were exhausted, the above exclusion applies and Travelers has no duty to defend or indemnify Beresford in the Lawsuit

A. Shawn Hicks January 25, 2021 Page 7 of 8

under the CUP Policy. Travelers reserves all rights and defenses to coverage which might arise under such CUP Policy.

Additionally, the CUP Policy contains endorsement EU 00 74 07 16 titled WASHINGTON CHANGES which changes the CUP Policy and states in pertinent part:

This endorsement modifies insurance provided under the following:

...
EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE
...

#### **PROVISIONS**

1. The following is added to Paragraph D., DEFENSE AND SUPPLEMENTARY PAYMENTS, of SECTION I – COVERAGES:

If we initially defend an insured or pay for an insured's defense but later determine that none of the claims, for which we are provided a defense or defense costs, are covered under this insurance, we have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement under this provision will only apply to the costs we have incurred after we notify the insured in writing that there may not be coverage and that we are reserving our rights to terminate the defense or the payment of defense costs and to seek reimbursement from the insured for defense costs.

Travelers reserves all of its rights of recoupment for defense cost paid under reservation pursuant to endorsement EU 00 74 07 16 titled WASHINGTON CHANGES.

In the event that any matters reserved and set forth in this letter are rejected by any court of appropriate jurisdiction (which shall be deemed to include a final order on appeal), Travelers will provide coverage only in accordance with the theory of coverage adopted by such court and will seek and demand reimbursement of payments made by it based upon the reservations set forth in this letter.

As set forth above, should Travelers assert and prevail on any of the reservations set forth herein, it does not waive its rights to seek and demand reimbursement for any defense costs or other payments paid to an insured or on behalf of an insured in connection with the Lawsuit and will seek and demand reimbursement of any costs of defense as are reserved herein. In addition, Travelers reserves the right to withdraw from the defense of this Lawsuit at any time based upon a change in the status of the law, a judicial ruling and/or upon the discovery of additional information. Without limitation, Travelers specifically reserves the right to seek recoupment of any defense costs paid.

This letter is not, and should not be interpreted as, a waiver of any of Travelers rights under any policy of insurance and/or applicable law, all of which are expressly reserved. Travelers reserves

A. Shawn Hicks January 25, 2021 Page 8 of 8

the right to amend this correspondence to rely on other portions of any policies that may also serve to limit coverage. The failure to cite any specific term or condition in this correspondence should not be construed as an admission of coverage and Travelers reserves the right to amend this correspondence as warranted and does not waive any right to assert additional defenses to coverage.

As the Lawsuit develops, you will be advised of any further legal principles and policy provisions which Travelers deems applicable and which would limit the obligations which Travelers has undertaken or will undertake.

If you have questions or concerns about the actions of your insurance company or agent, or would like information on your rights to file an appeal, contact the Washington State Office of the Insurance Commissioner's consumer protection hotline at 1 -800 -562 -6900 or visit <a href="https://www.insurance.wa.gov">www.insurance.wa.gov</a>. The insurance commissioner protects and educates insurance consumers, advances the public interest, and provides fair and efficient regulation of the insurance industry.

If you have any questions, please call me at (860) 954-0396.

Sincerely,

Alex Wozniak

Associate Account Executive

Mu Wyn

cc: Charles H. Beresford Co., Inc.

Attn.: Robin Stefanson 1829 10<sup>th</sup> Ave West Seattle, WA 98119

Via E-mail Only: robins@chberesford.com

**Hub International Northwest LLC** 

Attn.: Jim Houston PO Box 3018 Bothell, WA 98041

Via Email Only: jim.houston@hubinternational.com

# EXHIBIT 4

<b>CERTI</b>	FI	FD	POI	ICY
CLRII		LU	FUL	

This certification is affixed to a policy which is a true and accurate copy of the document in the company's business records as of the date shown below.

No additional insurance is afforded by this copy.

The Charter Oak Fire Insurance Company

Name of Insuring Company(ies)

630-9N857616

10/31/19-10/31/20

03/26/21

Policy Number(s)

Policy Period(s)

**Date** 

Kenneth Kupec, Second Vice President

BI Document Management



#### One Tower Square, Hartford, Connecticut 06183

TRAVELERS CORP. TEL: 1-800-328-2189

WHOLESALING

COMMON POLICY DECLARATIONS

ISSUE DATE: 11/11/19
POLICY NUMBER: Y-630-9N857616-COF-19

INSURING COMPANY:

THE CHARTER OAK FIRE INSURANCE COMPANY

1. NAMED INSURED AND MAILING ADDRESS: CHARLES H BERESFORD CO INC (AS PER IL F1 18) 1829 10TH AVE WEST SEATTLE, WA 98119

2. POLICY PERIOD: From 10/31/19 to 10/31/20 12:01 A.M. Standard Time at your mailing address.

3. LOCATIONS

Premises Bldg.

No. Occupancy Address Loc. No.

SEE IL TO 03

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES: DELUXE PROPERTY COVERAGE PART DECLARATIONS
COMMERCIAL GENERAL LIABILITY COV PART DECLARATIONS
EMPLOYEE BENEFITS LIABILITY COV PART DECLARATIONS DX T0 00 11 12 COF CG T0 01 11 03 COF CG T0 09 09 93 COF COMMERCIAL INLAND MARINE COV PART DECLARATIONS CM TO 01 07 86 COF

5. NUMBERS OF FORMS AND ENDORSEMENTS FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

SUPPLEMENTAL POLICIES: Each of the following is a separate policy containing its complete provisions: Policy Policy No. Insuring Company

DIRECT BILL 7. PREMIUM SUMMARY:

Provisional Premium 16,844

\$ Due at Inception Due at Each Ś

NAME AND ADDRESS OF AGENT OR BROKER:

HUB INTL NORTHWEST LLC (35286)

P O BOX X

BELLINGHAM, WA 98227

**COUNTERSIGNED BY:** 

Authorized Representative

DATE:

IL TO 02 11 89 (REV. 09-07) PAGE 1 OF 1

OFFICE: SEATTLE



### Report Claims Immediately by Calling\* 1-800-238-6225

Speak directly with a claim professional 24 hours a day, 365 days a year

\*Unless Your Policy Requires Written Notice or Reporting

### **COMMERCIAL INSURANCE**

#### A Custom Insurance Policy Prepared for:

CHARLES H BERESFORD CO INC (AS PER IL F1 18) 1829 10TH AVE WEST SEATTLE WA 98119

Presented by: HUB INTL NORTHWEST LLC



**POLICY NUMBER:** Y-630-9N857616-COF-19

**ISSUE DATE:** 10-31-19

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL T0 02 11 89 IL T8 01 10 93 IL T3 19 08 10 IL T0 03 04 96 IL F1 18 10 13	COMMON POLICY DECLARATIONS FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS COMMON POLICY CONDITIONS WA-DELUXE LOCATION SCHEDULE AMENDMENT OF NAMED INSURED - WASHINGTON					
DELUXE PROPERTY						
DX T0 00 11 12 DX 00 04 11 12 DX T1 00 11 12 DX T1 01 11 12 DX T8 01 DX T3 19 11 12 DX T4 02 01 15 DX 01 26 12 18 DX 03 18 11 11 DX T3 98 04 02 CP T9 62 07 11	DELUXE PROP COV PART DECLARATIONS TABLE OF CONTENTS - DELUXE PROP COV PART DELUXE PROPERTY COVERAGE FORM DELUXE BI (AND EE) COVERAGE FORM GENERAL PURPOSE ENDORSEMENT CAUSES OF LOSS-EQUIPMENT BREAKDOWN FEDERAL TERRORISM RISK INSURANCE ACT DIS WA CHANGES WASHINGTON CHANGES - DOMESTIC ABUSE ELECTRONIC VANDALISM LIMITATION ENDT LOSS PAYABLE PROVISION - WASHINGTON					
COMMERCIAL GENERAL LIABILITY						
CG T0 01 11 03 CG T0 07 09 87 CG T0 08 11 03 CG T0 34 02 19 CG T1 00 02 19 CG T8 01 CG T8 02 CG D3 21 01 04 CG D3 73 11 05 CG 20 10 10 01 CG 20 37 07 04 GN 01 13 11 03 CG D2 03 12 97 CG D2 46 04 19 CG D4 58 02 19 CG D4 58 02 19 CG D4 58 02 19 CG D6 18 10 11 CG D0 76 06 93 CG D1 42 02 19 CG D2 04 12 17 CG D2 26 06 15 CG D2 40 09 15	COML GENERAL LIABILITY COV PART DEC DECLARATIONS PREMIUM SCHEDULE KEY TO DECLARATIONS PREMIUM SCHEDULE TABLE OF CONTENTS - COM GEN LIAB COV COMMERCIAL GENERAL LIABILITY COV FORM GENERAL PURPOSE ENDORSEMENT GENERAL PURPOSE ENDORSEMENT TOTAL GENERAL AGGREGATE LIMITED PROJECTS ADD'L INSURED, OWNERS, LESSEES, CONTRACTORS ADDL INSD-OWNER/LESSEE/CONTRACTOR B ADD INSURED-OWNRS, LESSEES, CONT COMPL OPS EMPLOYERS OVERHEAD LIABILITY AMEND-NON CUMULATION OF EACH OCC BLANKET AI-W/COMP OPS IF REQ BY CONTRACT XTEND ENDT FOR MFRS & WHOLESALERS EXCL-PROJ SUBJ TO WRAP-UP-LTD EXCEPTIONS AMEND CONTRAC LIAB EXCL-EXC TO NAMED INS EXCL-VIOLATION OF CONSUMER FIN PROT LAWS EXCLUSION-LEAD EXCLUSION-DISCRIMINATION EXCL-EXTERIOR INSULATION & FINISH SYSTEM EXCLUSION - TOBACCO OR NICOTINE EXCLUSION - SILICA OR SILICA-RELATED DUST					

IL T8 01 10 93 PAGE: 1 OF 2



**POLICY NUMBER:** Y-630-9N857616-COF-19

**EFFECTIVE DATE**: 10-31-19

**ISSUE DATE**: 11-11-19

#### COMMERCIAL GENERAL LIABILITY (CONTINUED)

CG	Т3	23	80	11	EXCL - AIRCRAFT PROD AND GROUNDING
CG	F2	66	02	19	WA CHANGES EMPLOY RELATED PRACTICES EXCL
CG	F4	66	01	80	WASHINGTON CHANGES-WHO IS AN INSURED
CG	F2	41	05	02	WASHINGTON - FUNGI OR BACTERIA EXCLUSION

#### EMPLOYEE BENEFITS LIABILITY

CG I	0.	09	09	93	<b>EMPLOYEE</b>	BENEFITS	LIAB	COV	PART	DEC
CG I	0.	43	01	16	<b>EMPLOYEE</b>	BENEFITS	LIAB	TABI	E OF	CONTENTS
CG T	וי	01	01	16	EMPLOYEE	BENEFITS	T.TAB	<b>የተ</b> .ፐጥ	COV	FORM

#### INLAND MARINE

CM A0 28 08 96	IMPAK COVERAGE PART DECLARATIONS
CM T3 71 08 96	IM PAK COVERAGE SUMMARY
CM TO 11 08 05	TABLE OF CONTENTS
CM 00 01 09 04	COMMERCIAL INLAND MARINE CONDITIONS
CM T1 43 08 96	IMPAK COVERAGE FORM
CM T3 98 01 15	FEDERAL TERRORISM RISK INSURANCE ACT DIS
CM T9 39 06 12	WA CHGS-VOLCANIC ACTION AND REPL COST
CM U1 00 06 14	WASHINGTON CHANGES

#### INTERLINE ENDORSEMENTS

IL T3 68 01 15 IL T4 00 12 09	FEDERAL TERRORISM RISK INS ACT DISCLOSE DESIGNATED ENTITY-C/NR PROVIDED BY US
IL T4 12 03 15	AMNDT COMMON POLICY COND-PROHIBITED COVG
IL T4 14 01 15	CAP ON LOSSES CERTIFIED ACT OF TERRORISM
IL T3 82 05 13	EXCL OF LOSS DUE TO VIRUS OR BACTERIA
IL 01 23 11 13	WASHINGTON CHANGES - DEFENSE COSTS
IL 01 98 09 08	NUCLEAR ENERGY LIABILITY EXCLUSION
IL T9 80 10 94	WA CHANGES-ACTUAL CASH VALUE
IL T9 82 11 12	WA CHANGES-EXCLUDED CAUSES OF LOSS

IL T8 01 10 93 PAGE: 2 OF 2

## COMMON POLICY CONDITIONS WASHINGTON – DELUXE

All Coverage Parts included in this policy are subject to the following conditions:

The conditions in this endorsement replace any similar conditions in the policy that are less favorable to the insured.

#### A. CANCELLATION

- The first Named Insured shown in the Declarations may cancel this policy by notifying us or the insurance producer in one of the following ways:
  - a. Written notice by mail, fax or e-mail;
  - **b.** Surrender of the policy or binder; or
  - c. Verbal notice.

Upon receipt of such notice, we will cancel this policy or any binder issued as evidence of coverage, effective on or the later of the following:

- **a.** The date on which notice is received or the policy or binder is surrendered; or
- b. The date of cancellation requested by the first Named Insured.
- We may cancel this policy or any Coverage Part by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for the cancellation, to the last mailing address known to us, at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - **b.** 60 days before the effective date of cancellation if we cancel for any other reason,

except as provided in paragraphs 3. and 4. helow

- 3. We may cancel the Deluxe Property Coverage Part, if made a part of this policy, by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation at least five days before the effective date of cancellation for any structure where two or more of the following conditions exist:
  - **a.** Without reasonable explanation, the structure is unoccupied for more than 60

consecutive days, or at least 65% of the rental units are unoccupied for more than 120 consecutive days unless the structure is maintained for seasonal occupancy or is under construction or repair;

- b. Without reasonable explanation, progress toward completion of permanent repairs to the structure has not occurred within 60 days after receipt of funds following satisfactory adjustment or adjudication of loss resulting from a fire;
- **c.** Because of its physical condition, the structure is in danger of collapse;
- d. Because of its physical condition, a vacation or demolition order has been issued for the structure, or it has been declared unsafe in accordance with applicable law;
- **e.** Fixed and salvageable items have been removed from the structure, indicating an intent to vacate the structure:
- f. Without reasonable explanation, heat, water, sewer and electricity are not furnished for the structure for 60 consecutive days; or
- **g.** The structure is not maintained in substantial compliance with fire, safety and building codes.
- **4.** If:
  - a. You are an individual;
  - **b.** A covered auto you own is of the "private passenger type"; and
  - c. The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards.

we may cancel the Commercial Auto Coverage Part by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for cancellation, to the last mailing address known to us:

 At least 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

**IL T3 19 08 10** (Rev. 09/18)

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Page 1 of 4

- **b.** At least 10 days before the effective date of cancellation for any other reason if the policy is in effect less than 30 days; or
- c. At least 60 days before the effective date of cancellation for other than nonpayment if the policy is in effect 30 days or more; or
- d. At least 20 days before the effective date of cancellation if the policy is in effect for 60 days or more or is a renewal or continuation policy, and the reason for cancellation is that your driver's license or that of any driver who customarily uses a covered "auto" has been suspended or revoked during policy period.
- 5. We will also mail or deliver to any mortgage holder, pledgee or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of cancellation, prior to the effective date of cancellation. If cancellation is for reasons other than those contained in paragraph A.3. above, this notice will be the same as that mailed or delivered to the first Named Insured. If cancellation is for a reason contained in paragraph A.3. above, we will mail or deliver this notice at least 20 days prior to the effective date of cancellation.
- 6. Notice of cancellation will state the effective date of cancellation. If the policy is cancelled, that date will become the end of the policy period. If a Coverage Part is cancelled, that date will become the end of the policy period as respects that Coverage Part only.
  - Cancellation will not affect coverage on any shipment in transit on the date of cancellation. Coverage will continue in full force until such property is delivered and accepted.
- 7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be at least 90% of the pro rata refund unless the following applies:
  - a. For Division Two Boiler and Machinery, if the first Named Insured cancels, the refund will be at least 75% of the pro rata refund.
  - b. If:
    - (1) If you are an individual;

- (2) A covered auto you own is of the "private passenger type";
- (3) The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards; and
- (4) The first Named Insured cancels,

the refund will be not less than 90% of any unearned portion not exceeding \$100, plus; 95% of any unearned portion over \$100 but not exceeding \$500, and not less than 97% of any unearned portion in excess of \$500.

The cancellation will be effective, even if we have not made or offered a refund.

**8.** If notice is mailed, proof of mailing will be sufficient proof of notice.

#### **B. CHANGES**

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

#### C. EXAMINATION OF YOUR BOOKS AND RE-CORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

#### D. INSPECTION AND SURVEYS

- **1.** We have the right but are not obligated to:
  - **a.** Make inspections and surveys at any time;
  - **b.** Give you reports on the conditions we find; and
  - c. Recommend changes.
- We are not obligated to make any inspections, surveys, reports or recommendations, and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - **b.** Comply with laws, regulations, codes or standards.

- Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
- 4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

#### E. PREMIUMS

- The first Named Insured shown in the Declarations:
  - a. Is responsible for the payment of all premiums; and
  - **b.** Will be the payee for any return premiums we pay.
- 2. We compute all premiums for this policy in accordance with our rules, rates, rating plans, premiums and minimum premiums. The premium shown in the Declarations was computed based on rates and rules in effect at the time the policy was issued. On each renewal, continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

### F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

#### G. NONRENEWAL

1. We may elect not to renew this policy by mailing or delivering written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured and the first Named Insured's agent or broker, at their last mailing addresses known to us. We will also mail to any mortgage holder, pledgee, or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written

notice of nonrenewal. We will mail or deliver these notices at least 60 days before the:

- a. Expiration of the policy; or
- **b.** Anniversary date of this policy if this policy has been written for a term of more than one year.
- 2. Otherwise we will renew this policy unless:
  - a. The first Named Insured fails to pay the renewal premium after we have expressed our willingness to renew, including a statement of the renewal premium, to the first Named Insured and the first Named Insured's insurance agent or broker at least 20 days before the expiration date:
  - **b.** Other coverage acceptable to the insured has been procured prior to the expiration date of the policy; or
  - c. The policy dearly states that it is not renewable and is for a specific line, subclassification, or type of coverage that is not offered on a renewable basis.
- **3.** If:
  - a. You are an individual;
  - **b.** A covered auto you own is of the "private passenger type"; and
  - c. The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards,

the following applies to nonrenewal of the Commercial Auto Coverage Part in place of **G.1.**:

- a. We may elect not to renew or continue this policy by mailing or delivering to you and your agent or broker written notice at least 20 days before the end of the policy period including the actual reason for nonrenewal. If the policy period is more than one year, we will have the right not to renew or continue it only at an anniversary of its original effective date. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- **b.** We will not refuse to renew Liability Coverage or Collision Coverage solely because an "insured" has submitted daims

- under Comprehensive Coverage or Towing and Labor Coverage.
- c. If we fail to mail or deliver proper notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

### H. DELUXE PROPERTY COVERAGE PART REF-ERENCE TO FORMS AND ENDORSEMENTS

In some instances, the Deluxe Property Declarations may list endorsements included in the Deluxe Property Coverage Part the reference:

- 1. The Commercial Property Coverage Part;
- The Commercial Inland Marine Coverage Part;
- **3.** Commercial Property Forms including, but not limited to, the following:
  - a. Building and Personal Property Coverage Form;
  - **b.** Business Income Coverage Form;

- **c.** Commercial Property Conditions;
- d. Causes of Loss Special Form;
- e. Causes of Loss Earthquake Form.
- **4.** Standard Commercial Inland Marine Forms including but not limited to the Transportation Special Form.

Endorsements referencing the Commercial Property Coverage Part, Commercial Inland Marine Coverage Part, the Commercial Property Forms, or the Commercial Inland Marine Forms apply to the Deluxe Property Coverage Forms in the same manner as they apply to the Forms they reference.

### I. INSURANCE UNDER TWO OR MORE COVER-AGE PARTS

If two or more of this policy's Coverage Parts apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

This policy consists of the Common Policy Declarations and the Coverage Parts and endorsements listed in that declarations form.

In return for payment of the premium, we agree with the Named Insured to provide the insurance afforded by a Coverage Part forming part of this policy. That insurance will be provided by the company indicated as insuring company in the Common Policy Declarations by the abbreviation of its name opposite that Coverage Part.

One of the companies listed below (each a stock company) has executed this policy, and the policy is countersigned by the officers listed below.

The Travelers Indemnity Company (IND)

The Phoenix Insurance Company (PHX)

The Charter Oak Fire Insurance Company (COF)

Travelers Property Casualty Company of America (TIL)

The Travelers Indemnity Company of Connecticut (TCT)

The Travelers Indemnity Company of America (TIA)

Travelers Casualty Insurance Company of America (ACJ)

Wendy C. Shy

President

### **LOCATION SCHEDULE**

POLICY NUMBER: Y-630-9N857616-COF-19

This Schedule of Locations and Buildings applies to the Common Policy Declarations for the period 10-31-19 to 10-31-20.

Loc. No.	Bldg. No.	Address	Occupancy
1	1	1829 10TH AVE. W SEATTLE, WA 98119-3419	DISTRIBUTORS OFFICE
2	2	6307 S 228TH ST KENT, WA 98032-3419	WAREHOUSE BUILDING
3	3	1800 EAST 7TH AVE. KENNEWICK, WA 99336-3419	WAREHOUSE
4	4	3200 E TRENT AVENUE SPOKANE, WA 99202-3419	WAREHOUSE

IL T0 03 04 96 Page 1 (END)

POLICY NUMBER: Y-630-9N857616-COF-19 ISSUE DATE: 11-11-19

## THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# **AMENDMENT OF NAMED INSURED – WASHINGTON**

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS INCLUDED IN THIS POLICY

The following replaces the Named Insured in Item 1. of the Common Policy Declarations:

ITEM 1 NAMED INSURED TO READ:

CHARLES H BERESFORD CO INC CHAS H BERESFORD CO INC CHAS H BERESFORD COMPANY BERESFORD COMPANY

# **DELUXE PROPERTY**





# DELUXE PROPERTY COVERAGE PART DECLARATIONS

POLICY NUMBER: Y-630-9N857616-COF-19

**ISSUE DATE**: 11-11-19

INSURING COMPANY:

THE CHARTER OAK FIRE INSURANCE COMPANY

EFFECTIVE DATE: Same as policy unless otherwise specified:

DELUXE PROPERTY COVERAGE FORM

COVERAGES AND LIMITS OF INSURANCE - DESCRIBED PREMISES

Insurance applies on a BLANKET basis only to a coverage or type of property for which a Limit of Insurance is shown below, and then only at the premises locations for which a value for such coverage or property is shown on the Statement of Values dated 08/22/19, or subsequently reported to and insured by us. For Insurance that applies to a specific premises location see Deluxe Property Coverage Part Schedule - Specific Limits.

Blanket Description of Coverage or Property

Limits of

Insurance

Your Business Personal Property

750,000

COINSURANCE PROVISION:

Coinsurance does not apply to the Blanket coverages as shown above.

VALUATION PROVISION:

Replacement cost (subject to limitations) applies to most types of covered property (See Valuation Loss Condition in DX T1 00).

ADDITIONAL COVERED PROPERTY

Limits of

Insurance

Personal Property at Undescribed Premises:

At any "exhibition" premises
At any installation premises or temporary storage premises
At any other not owned, leased or regularly operated
premises

Personal Property in Transit:

Not Covered
Not Covered
25,000

DX T0 00 11 12

PRODUCER: HUB INTL NORTHWEST LLC 35286 OFFICE: SEATTLE 199



# DELUXE PROPERTY COVERAGE PART DECLARATIONS

**POLICY NUMBER:** Y-630-9N857616-COF-19

**ISSUE DATE**: 11-11-19

DELUXE PROPERTY COVERAGE FORM - ADDITIONAL COVERAGES & COVERAGE EXTENSIONS

The Limits of Insurance shown in the left column are included in the coverage form and apply unless a Revised Limit of Insurance or Not Covered is shown in the Revised Limits of Insurance column on the right. The Limits of Insurance apply in any one occurrence unless otherwise stated.

		Limits of	Revised Limits
		Insurance	of Insurance
Accounts Receivable			
At all described premises	\$	50,000	
In transit or at all undescribed premises	\$	25,000	
Appurtenant Buildings and Structures	\$	100,000	
Claim Data Expense	\$	25,000	
Covered Leasehold Interest - Undamaged			
Improvements & Betterments			
Lesser of Your Business Personal Property			
limit or:	\$	100,000	
Debris Removal (additional amount)	\$	250,000	
Deferred Payments	\$	25,000	
Duplicate Electronic Data Processing Data and			
Media	\$	50,000	
Electronic Data Processing Data and Media			
At all described premises	\$	50,000	
Employee Tools			
In any one occurrence	\$	25,000	
Any one item	\$	2,500	
Expediting Expenses	\$	25,000	
Extra Expense	\$	25,000	
Fine Arts	-		
At all described premises	\$	50,000	
In transit	\$	25,000	
Fire Department Service Charge	Included*		
Fire Protective Equipment Discharge	Inc	luded*	
Green Building Alternatives - Increased Cost			
Percentage 1 %			
Maximum amount - each building	\$	100,000	
Green Building Reengineering and		•	
Recertification Expense	\$	25,000	
Limited Coverage for Fungus, Wet Rot or	•		
Dry Rot - Annual Aggregate	\$	25,000	
Loss of Master Key	\$	25,000	
Newly Constructed or Acquired Property:	•		
Building - each	\$	2,000,000	
Personal Property at each premises	\$	1,000,000	
Non-Owned Detached Trailers	\$	25,000	
Ordinance or Law Coverage	\$	250,000	
	7	==•,•••	



# DELUXE PROPERTY COVERAGE PART DECLARATIONS

POLICY NUMBER: Y-630-9N857616-COF-19

**ISSUE DATE**: 11-11-19

DELUXE PROPERTY COVERAGE FORM - ADDITIONAL COVERAGES & COVERAGE EXTENSIONS (continued)

(concinaca)		Limits of Insurance	
Outdoor Property	\$	25,000	
Any one tree, shrub or plant	\$	2,500	
Outside Signs			
At all described premises	\$	100,000	
At all undescribed premises	\$	5,000	
Personal Effects	\$	25,000	
Personal Property At Premises Outside of the			
Coverage Territory	\$	50,000	
Personal Property In Transit Outside of the			
Coverage Territory	\$	25,000	
Pollutant Cleanup and Removal - Annual			
Aggregate	\$	100,000	
Preservation of Property			
Expenses to move and temporarily store			
property	\$	250,000	
Direct loss or damage to moved property	Inc	luded*	
Reward Coverage			
25% of covered loss up to maximum of:	\$	25,000	
Stored Water	\$	25,000	
Theft Damage to Rented Property	Included*		
Undamaged Parts of Stock In Process	\$	50,000	
Valuable Papers and Records - Cost of Research			
At all described premises	\$	50,000	
In transit or at all undescribed premises	\$	25,000	
Water or Other Substance Loss - Tear Out and			
Replacement Expense	Inc	luded*	

<sup>\*</sup>Included means included in applicable Covered Property Limit of Insurance

### DELUXE BUSINESS INCOME(AND EXTRA EXPENSE) COVERAGE FORM - DESCRIBED PREMISES

Premises	Building		Limits of	
Location No.	No.		Insurance	
01-04	01-04	\$	100,000	

Rental Value: Included Ordinary Payroll: Included



Revised Limits of

# DELUXE PROPERTY COVERAGE PART DECLARATIONS

**POLICY NUMBER:** Y-630-9N857616-COF-19

**ISSUE DATE**: 11-11-19

Limits of

DELUXE BUSINESS INCOME - ADDITIONAL COVERAGES AND COVERAGE EXTENSIONS

The Limits of Insurance, Coverage Period and Coverage Radius shown in the left column are included in the coverage form and apply unless a revised Limit of Insurance, Coverage Period, Coverage Radius or Not Covered is shown under the column on the right. The Limits of Insurance apply in any one occurrence unless otherwise stated.

	Limits	OI	Revised Limits of	
	Insurance,Coverage		Insurance, Coverage	
	Period	or Coverage	Period or Coverage	
	Radius		Radius	
Business Income From Dependent Property				
At Premises Within the Coverage				
Territory	\$	100,000		
At Premises Outside of the Coverage	7			
Territory	\$	100,000		
Civil Authority	4	200,000		
Coverage Period		30 days		
Coverage Radius		100 miles		
Claim Data Expense	ė	25,000		
Contract Penalties	\$ \$	•		
Extended Business Income	ş	25,000		
		100 -		
Coverage Period		180 days		
Fungus, Wet Rot or Dry Rot - Amended				
Period of Restoration				
Coverage Period		30 days		
Green Building Alternatives - Increased				
Period of Restoration				
Coverage Period		30 days		
Ingress or Egress	\$	25,000		
Coverage Radius		1 mile		
Newly Acquired Locations	\$	500,000		
Ordinance or Law - Increased				
Period of Restoration	\$	250,000		
Pollutant Cleanup and Removal - Annual	-			
Aggregate	\$	25,000		
Transit Business Income	\$	25,000		
Undescribed Premises	\$	25,000		
	т			



# DELUXE PROPERTY COVERAGE PART DECLARATIONS

POLICY NUMBER: Y-630-9N857616-COF-19 ISSUE DATE: 11-11-19

**DEDUCTIBLES:** 

BUSINESS INCOME:

As respects Business Income Coverage, for which no other deductible is stated above or in the coverage description, a 72 hour deductible applies.

ANY OTHER COVERED LOSS in any one occurrence:

\$ 2,500

DX T0 00 11 12

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DECLARATION OF ALEX WOZNIAK EXHIBIT 4 TRAVELERS DOC MGMT 18 of 237 Page 18

## **TABLE OF CONTENTS**

# **DELUXE PROPERTY COVERAGE PART**

The following indicates the contents of the principal Forms which may be attached to your policy. It contains no reference to the Declarations or Endorsements which also may be attached.

DE	Begins on Page	
A.	Coverage	1
В.	Covered Causes of Loss	18
C.	Exclusions	18
D.	Limitations	26
E.	Limits of Insurance	27
F.	Deductible	28
G.	Loss Conditions	28
H.	Additional Conditions	34
I.	Optional Coverages	35
J.	Definitions	36
DE	LUXE BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM	
A.	Coverage	1
В.	Exclusions and Limitation	8
C.	Limits of Insurance	9
D.	Deductible	9
E.	Loss Conditions	10
F.	Optional Coverages	11
G.	Definitions	12
DE	LUXE BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM	
A.	Coverage	1
В.	Exclusions and Limitation	7
C.	Limits of Insurance	8
D.	Deductible	8
E.	Loss Conditions	9
F.	Optional Coverages	10
G.	Definitions	10
DE	LUXE EXTRA EXPENSE COVERAGE FORM	
A.	Coverage	1
В.	Exclusions	6
C.	Limits of Insurance	6
D.	Loss Conditions	6
E.	Optional Coverages	7
F.	Definitions	8

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Page 1 of 1

# **DELUXE PROPERTY COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. REFER TO SECTION J. – DEFINITIONS.

#### A. COVERAGE

We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

### 1. Covered Property

Covered Property, as used in this Coverage Part, means each of the following types of property described in this Section **A.1.**, and limited in Section **A.2.**, Property and Costs Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

- **a. Building(s)**, meaning the designated building or structure at the premises described in the Declarations, including:
  - (1) Completed additions;
  - (2) Fixtures, including outdoor fixtures;
  - (3) Foundations;
  - (4) Glass that is a part of the building or structure;
  - (5) Machinery and equipment permanently attached to the building or structure:
  - (6) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
    - (a) Fire extinguishing equipment;
    - (b) Outdoor furniture;
    - (c) Floor coverings;
    - (d) Lobby and hallway furnishings owned by you:
    - **(e)** Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
    - (f) Lawn maintenance and snow removal equipment;
    - **(g)** Heating, air conditioning and ventilation equipment; and

- (h) Building systems and equipment including alarm, communication, security and monitoring devices; and
- (7) If not covered by other insurance:
  - (a) Additions under construction, alterations and repairs to the building or structure; and
  - (b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises, used for making additions, alterations or repairs to the buildings or structures.
- b. Your Business Personal Property located in or on the designated building or structure at the premises described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises, consisting of the following unless otherwise specified in the Declarations:
  - (1) Furniture and fixtures;
  - (2) Machinery and equipment (including "electronic data processing equipment");
  - (3) "Stock":
  - **(4)** All other personal property owned by you and used in your business;
  - (5) Labor, materials or services furnished or arranged by you on personal property of others;
  - (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
    - (a) Made a part of the building or structure you occupy or lease but do not own; and

- (b) You acquired or made at your expense, but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise insured under Personal Property of Others; and
- (8) Building glass that is not a tenant improvement and betterment but which, as a tenant, you are contractually required to insure under a written lease agreement.
- c. Personal Property of Others meaning others' personal property in your care, custody, or control that is located in or on the designated building or structure at the premises described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

However, our payment for loss of or damage to Personal Property of Others will only be for the account of the owner of the property.

- d. Personal Property At Undescribed Premises meaning Your Business Personal Property and Personal Property of Others in your care, custody or control that:
  - (1) Is at "exhibition" premises located worldwide including while in transit to and from the "exhibition" premises provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage;
  - (2) Is at installation premises or temporary storage premises while awaiting installation that you do not own, lease or regularly operate. This coverage applies only to such property that will or has become a permanent part of an installation project being performed for others by you or on your behalf. This coverage will end when any of the following first occurs:
    - (a) Your interest in the property ceases;
    - **(b)** The installation is accepted by the customer;

- **(c)** The installation is abandoned by you;
- (d) The property is more specifically insured; or
- **(e)** This policy is cancelled or expires, whichever occurs first; or
- (3) Is temporarily at any other premises not described in the Declarations, which you do not own, lease or regularly operate.

Coverage does not include Sales Representative Property as defined in Paragraph **A.1.f.** below.

- e. Personal Property in Transit as follows:
  - (1) This coverage for Personal Property in Transit applies to:
    - (a) Your Business Personal Property; and
    - **(b)** Personal Property of Others; away from the described premises while in transit between points within the Coverage Territory.
  - (2) Unless a mode of transportation or type of shipment is specifically excluded in the Declarations or by endorsement, this coverage applies to property in transit being shipped by any type of carrier or vehicle.
  - (3) This coverage applies from the time the property leaves the premises where the shipment begins until the shipment arrives at its final destination. If the property is not delivered, we cover the return of the property to you, including while the property is temporarily held by the receiver or the carrier while awaiting return shipment to you.
  - (4) Subject to the Limit of Insurance that applies to the Personal Property in Transit coverage, we will also pay for:
    - (a) Any general average or salvage charges you incur as respects losses to covered waterborne shipments;
    - (b) Your interest in covered shipments sold Free On Board if you cannot collect payment for the loss or damage from the consignee; and

- (c) Loss of or damage to Covered Property resulting from the unintentional acceptance of any fraudulent Bill of Lading, order or shipping receipt by you, your employees or authorized representatives or by your agent, customer or consignee from anyone representing themselves to be the proper person to receive goods for shipment or accept goods for delivery.
- (5) This coverage does not apply to:
  - (a) Accounts receivable;
  - (b) "Employee tools";
  - (c) "Fine arts";
  - (d) Sales representative property;
  - **(e)** Personal property in transit to or from an "exhibition" site; or
  - **(f)** "Valuable papers and records".
- f. Sales Representative Property meaning goods or merchandise which are Your Business Personal Property and Personal Property of Others in the custody of independent contractors whom you authorize to sell such goods or merchandise. This coverage applies worldwide while the property is:
  - (1) At any premises away from the described premises; or
  - (2) In transit;

provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.

#### 2. Property and Costs Not Covered

Unless the following property is added by endorsement to this Coverage Form, Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes, checks, drafts or securities except as provided in the Accounts Receivable Coverage Extension. Lottery tickets held for sale are not securities;
- **b.** Aircraft or watercraft;
- c. Animals;

- d. Automobiles, motorcycles, motor trucks, motor homes and similar vehicles held for sale, lease, loan or rent;
- e. Bulkheads, pilings, piers, wharves, docks, dikes or dams:
- Contraband or property in the course of illegal transportation or trade;
- g. "Electronic data processing data and media" that is obsolete or no longer used by you;
- h. "Employee tools" except as provided in the Employee Tools Coverage Extension;
- Export and import shipments while covered under an ocean marine cargo or other insurance policy;
- j. "Fine arts", except as provided in the Personal Effects and Fine Arts Coverage Extensions;
- **k.** Harvested grain, hay, straw or other crops while outside of buildings, growing crops or standing timber;
- **I.** Human body parts and fluids including organs, tissue, blood and cells;
- m. Land, whether in its natural state or otherwise (including land on which the property is located), land improvements or the cost of restoring or stabilizing land;
- n. Personal property sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan after delivery to the purchasers except as provided in the Deferred Payments Coverage Extension;
- O. Property of others for which you are responsible while acting as a common or contract carrier, car-loader, freight forwarder, freight consolidator, freight broker, shipping association or similar arranger of transportation, or as a public warehouseman;
- p. Property that is covered under another coverage form or endorsement of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- q. Property while waterborne except while in transit by inland water carriers or by coastwise vessels operating within "territorial waters";

- r. Shipments by a government postal service except by registered mail:
- S. The cost of excavations, grading, backfilling or filling. This does not apply to costs necessarily incurred to repair or replace covered loss or damage to Covered Property, but any costs associated with land stabilization and land reconstruction are excluded:
- t. The cost to research, replace or restore the information on "valuable papers and records" and "electronic data processing data and media", except as provided in the Valuable Papers and Records – Cost of Research and Electronic Data Processing Data and Media Coverage Extensions:
- **u.** The following property while outside of buildings:
  - Bridges, roadways, walks, patios, or other paved surfaces;
  - (2) Artificial turf and associated underlayment;
  - (3) Retaining walls that are not part of a building;
  - (4) Fences;
  - (5) Trees, shrubs, plants or lawns (including fairways, greens and tees), but not including vegetative roofs on Covered Buildings nor "stock" of trees, shrubs or plants;

except as provided in the Outdoor Property Coverage Extension.

- **v.** The following underground property:
  - **(1)** Wires;
  - (2) Pipes, flues and drains;
  - (3) Tanks (including their contents);
  - **(4)** Tunnels (whether or not connected to buildings);
  - (5) Mines or mining property;
- **w.** Vehicles or self-propelled machines that:
  - Are licensed for use on public roads; or
  - (2) Are operated principally away from the described premises;

But this does not apply to:

(a) Vehicles, self-propelled machines or autos you manufacture, process or warehouse:

- (b) Vehicles or self-propelled machines you hold for sale, lease, loan or rent other than those excluded under A.2.d. above; or
- (c) Trailers and Semi-trailers to the extent covered under the Non-Owned Detached Trailers Coverage Extension;
- Water, whether in its natural state or otherwise, and whether above or below ground or the cost of reclaiming or restoring water.

But this does not apply to:

- (1) Water contained in storage tanks used in your manufacturing or processing operations as specifically insured under the Stored Water Additional Coverage; or
- (2) Bottled water.

### 3. Additional Coverages

Each of the following Additional Coverages applies subject to the Limit(s) of Insurance stated in this Coverage Form unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

#### a. Debris Removal

(1) We will pay your expense to remove debris of Covered Property, and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

This Additional Coverage does not apply to costs to:

- (a) Remove debris of property you own that is not insured under this policy, or property of others in your care, custody or control that is not Covered Property;
- (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;

- (c) Remove debris of any outdoor property of a type described in the Outdoor Property Coverage Extension, whether the property is your property or the property of others:
- (d) Remove any property that is included under Section A.2. Property and Costs Not Covered;
- **(e)** Remove property of others of a type that is not Covered Property under this Coverage Form;
- **(f)** Extract "pollutants" from land or water; or
- **(g)** Remove, restore or replace polluted land or water.
- (2) The most we will pay under this Additional Coverage for your expense to remove the debris of Covered Property is 25% of:
  - (a) The amount we pay for the direct physical loss of or damage to Covered Property; plus
  - **(b)** The deductible in this Coverage Part applicable to that loss or damage.

Except as provided in Paragraph (3) below, this payment for your expense to remove the debris of Covered Property is included within the applicable Covered Property Limit of Insurance.

- (3) If:
  - (a) Your expense to remove debris of Covered Property exceeds the above 25% limitation; or
  - (b) The sum of the amount we pay for loss of or damage to Covered Property and the expense for removal of its debris exceeds the applicable Limit of Insurance;

we will pay an additional amount for your expense to remove the debris of Covered Property, up to \$250,000 in any one occurrence.

(4) The most we will pay in any one occurrence under this Additional Coverage for your expense to remove the debris of any property that is not Covered Property (if such removal is covered under this Additional Coverage) is \$25,000. This is additional insurance.

#### b. Expediting Expenses

In the event of covered loss or damage to Covered Property, we will pay for the reasonable and necessary additional expenses you incur to make temporary repairs to, or expedite the permanent repairs or replacement of the Covered Property at the premises sustaining loss or damage. Expediting expenses include overtime wages and the extra cost of express or other rapid means of transportation. Expediting expenses do not include expenses you incur for the temporary rental of property or temporary replacement of damaged property.

The most we will pay in any one occurrence under this Additional Coverage is \$25,000.

#### c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No deductible applies to this Additional Coverage.

#### d. Fire Protective Equipment Discharge

If fire protective equipment at the described premises discharges accidentally or to control a Covered Cause of Loss, we will pay your cost to:

- Refill or recharge the system with the extinguishing agents that were discharged; and
- (2) Replace or repair faulty valves or controls which caused the discharge.

# e. Green Building Alternatives - Increased Cost

- (1) If direct physical loss or damage by a Covered Cause of Loss occurs to a building that is Covered Property, we will pay for:
  - (a) The reasonable additional cost you incur to repair or replace the lost or damaged portions of the

building using products or materials that:

- (i) Are "green" alternatives to the products or materials of the lost or damaged property, in accordance with a documented "green authority"; and
- (ii) Are otherwise of comparable quality and function to the damaged property;

and

- (b) The reasonable additional cost you incur to employ "green" methods or processes of construction, disposal or recycling in the course of the repair and replacement of the lost or damaged building, in accordance with the documented standards of a "green authority".
- (2) The insurance provided under this Additional Coverage applies only if replacement cost valuation applies to the lost or damaged building and then only if the building is actually repaired or replaced as soon as reasonably possible after the loss or damage.
- (3) The insurance provided under this Additional Coverage does not apply to any building that has been "vacant" for more than 60 consecutive days before the loss or damage occurs.
- (4) The most we will pay for the additional cost incurred with respect to each building in any one occurrence under this Additional Coverage is determined by multiplying:
  - (a) A factor of 1% (unless a higher increased cost percentage is shown in the Declarations); times
  - **(b)** The lesser of:
    - (i) The amount we would otherwise pay for direct physical loss of or damage to the building, prior to application of any applicable deductible; or
    - (ii) The value you reported to us for the building, as stated on the latest Statement of Values or other documentation

on file with us prior to the loss or damage.

Unless otherwise stated in the Declarations, this resultant amount is subject to a maximum amount of insurance of \$100,000 for each building.

# f. Green Building Reengineering and Recertification Expense

- (1) If, as a result of direct physical loss or damage by a Covered Cause of Loss to a building that is Covered Property, the pre-loss level of "green" building certification by a "Green Authority" on the building is lost, we will pay for the following reasonable additional expenses you incur to re-attain the preloss level of "green" building certification from that "Green Authority":
  - (a) The reasonable additional expense you incur to hire a qualified engineer or other professional required by the "Green Authority" to be involved in:
    - (i) Designing, overseeing or documenting the repair or replacement of the lost or damaged building; or
    - (ii) Testing and recalibrating the systems and mechanicals of the lost or damaged building to verify that the systems and mechanicals are performing in accordance with the design of such systems and mechanicals or the specifications of the manufacturer;

and

- **(b)** The reasonable registration and recertification fees charged by the "Green Authority".
- (2) This Additional Coverage applies to the additional expenses described above that you incur to achieve the pre-loss level of "green" building certification in accordance with the standards of the "Green Authority" that exist at the time of repair or replacement, even if the standards have changed since the original certification was achieved.

- (3) The most we will pay in any one occurrence under this Additional Coverage for:
  - (a) All expenses incurred with respect to each building is 5% of the sum of:
    - (i) The amount we pay for the direct physical loss of or damage to the building, including any amount paid under the Green Building Alternatives – Increased Cost Additional Coverage; and
    - (ii) The deductible amount applied to the loss payment for direct physical loss or damage to the building;
  - **(b)** All expenses incurred, regardless of the number of buildings involved, is \$25,000.

#### g. Limited Coverage for Fungus, Wet Rot or Dry Rot

- (1) The coverage provided in Paragraph (2) below only applies when "fungus", wet rot or dry rot is the result of any of the "specified causes of loss", other than fire or lightning, that occurs during the policy period, and only if all reasonable means have been used to save and preserve the property from further damage at the time of and after the occurrence of such "specified causes of loss".
- (2) We will pay for direct physical loss of or damage to Covered Property caused by "fungus", wet rot or dry rot, including:
  - (a) The cost of removal of the "fungus", wet rot or dry rot;
  - (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet rot or dry rot; and
  - (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet rot or dry rot are present.

- (3) The most we will pay for the total of all loss or damage under this Additional Coverage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) occurring during each separate 12 month period of this policy beginning with the effective date of this policy is \$25,000.
- (4) The coverage provided under this Additional Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet rot or dry rot, and other loss or damage, we will not pay more for the total of all loss or damage than the applicable Limit of Insurance on the Covered Property.

If there is covered loss or damage to Covered Property that is not caused by "fungus", wet rot or dry rot, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungus", wet rot or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

#### h. Ordinance or Law Coverage

- (1) In the event of covered direct physical loss or damage to a building that is Covered Property, the following coverages apply, but only with respect to that lost or damaged building:
  - (a) Coverage A Coverage For Loss To The Undamaged Portion of The Building

We will pay under Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

### (b) Coverage B – Demolition Cost Coverage

We will pay under Coverage **B** the cost to demolish the building and clear the site of undamaged parts of the same building, as a consequence of enforcement of

an ordinance or law that requires demolition of such undamaged property.

# (c) Coverage C – Increased Cost of Construction

We will pay under Coverage **C** the increased cost to:

- (i) Repair or reconstruct damaged portions of that building; or
- (ii) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

This Coverage **C** applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance. This Coverage **C** does not apply if the building is not repaired, reconstructed or remodeled.

- (2) The coverages described in (1) above apply only if the provisions in Paragraphs (a) and (b) below are satisfied and are then subject to the qualifications set forth in Paragraph (c) below:
  - (a) The ordinance or law:
    - (i) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
    - (ii) Is in force at the time of loss. But this Additional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

- (b) The building either:
  - (i) Sustains direct physical loss or damage that is covered under this Coverage Part and such damage results in enforcement of the ordinance or law: or
  - (ii) Sustains both direct physical loss or damage that is covered under this Coverage Part and direct physical loss or damage that is not covered under this Coverage Part and the building damage in its entirety results in enforcement of the ordinance or law.

If the building sustains direct physical loss or damage that is not covered under this Coverage Part, and such damage is the subject of the ordinance or law, then there is no coverage under this Additional Coverage even if the building has also sustained covered direct physical loss or damage.

(c) In the situation described in (b) (ii) above, we will not pay the full amount of loss otherwise payable under the terms of Coverage A, B or C of this Additional Coverage. Instead, we will pay a proportion of such loss. The proportion of such loss that we will pay is the proportion that the covered direct physical loss or damage bears to the total direct physical loss or damage.

However, if covered direct physical loss or damage, alone, would have resulted in the enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverage **A**, **B**, or **C** of this Additional Coverage.

- **(3)** We will not pay under this Additional Coverage for:
  - (a) Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remedia-

tion of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot;

- (b) The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet rot or dry rot; or
- (c) Loss due to any ordinance or law that:
  - (i) You were required by the ordinance or law to comply with before the loss, even if the building was undamaged; and
  - (ii) You failed to comply with.
- (4) Exclusion C.1.h. Ordinance or Law does not apply to the insurance specifically provided under this Additional Coverage.
- (5) The most we will pay under this Additional Coverage for loss with respect to all buildings lost or damaged in any one occurrence, regardless of the number of buildings involved, is \$250,000.

#### i. Pollutant Cleanup and Removal

We will pay your expense to extract "pollutants" from land or water at the described premises, if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from any of the "specified causes of loss" which occurs:

- (1) On the described premises;
- (2) To Covered Property; and
- (3) During the policy period.

The expenses will be paid only if they are reported to us within 180 days of the date on which the covered "specified cause of loss" occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water

The most we will pay under this Additional Coverage is \$100,000 for the sum of all covered expenses arising out of all "specified causes of loss" occurring during each separate 12 month period of this policy (beginning with the effective date of the policy).

#### j. Preservation of Property

If it is necessary to temporarily move Covered Property from the described premises to preserve it from the threat of imminent loss or damage by a Covered Cause of Loss:

- (1) We will pay for the reasonable and necessary expenses actually incurred by you to remove the Covered Property from the described premises, temporarily store the Covered Property at another location and move the Covered Property back to the described premises within a reasonable time after the threat of imminent loss or damage to the property by the Covered Cause of Loss passes. The most we will pay for the sum of all such expenses that you incur due to the threat of loss or damage from any one occurrence is \$250,000, subject to the following:
  - (a) This Limit of Insurance is an additional amount of insurance that is not included in, and does not reduce, the Covered Property Limits of Insurance.
  - (b) When the Causes of Loss -Earthquake endorsement or Causes of Loss - Earthquake Sprinkler Leakage endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of all such Covered Causes of Loss in any one policy year will not exceed \$250,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss - Earthquake endorsement

- or the Causes of Loss Earthquake Sprinkler Leakage endorsement applies.
- (c) When the Causes of Loss -Broad Form Flood endorsement is included in this Coverage Part, our payment for the sum of all expenses incurred due to the threat of loss or damage to Covered Property from all threatened occurrences of such Covered Cause of Loss in any one policy year will not exceed \$250,000. This limit is not included in, and does not reduce, the Limits of Insurance that apply to loss or damage to which the Causes of Loss - Broad Form Flood endorsement applies.
- (d) If the threat of imminent direct physical loss or damage to Covered Property from the same occurrence spans over multiple policy years, only the limit that applies to this Coverage in the policy year in which the expenses are first incurred by you will apply to the total of the expenses incurred due to the threat of loss or damage from that occurrence.

This Coverage is subject to the deductible that applies to loss or damage to the Covered Property by the Covered Cause of Loss from which the property is being preserved.

- (2) We will also pay for any direct physical loss of or damage to the Covered Property while it is being moved from the described premises, while temporarily stored at another location or while being moved back to the described premises, subject to the following:
  - (a) This Coverage is subject to, and does not increase the applicable Covered Property Limit of Insurance.
  - (b) This Coverage will only apply if the loss or damage occurs within 180 days after the Covered Property is first moved and will end when any of the following first occurs:

- (i) The policy is amended to provide insurance at the new location:
- (ii) The Covered Property is returned to the original location; or
- (iii) This policy expires.

### k. Reward Coverage

We will reimburse you for rewards you have incurred leading to:

- (1) The successful return of undamaged stolen articles of Covered Property to a law enforcement agency; or
- (2) The arrest and conviction of any person(s) who have damaged or stolen any of your Covered Property.

The most we will pay in any one occurrence under this Additional Coverage is 25% of the covered loss (prior to the application of any applicable deductible and recovery of undamaged stolen articles) up to a maximum of \$25,000 for the payments of rewards you make. These reward payments must be documented. No deductible applies to this Additional Coverage.

#### I. Stored Water

- (1) We will pay the cost you incur to replace water that is used in your manufacturing or processing operations which is contained in any:
  - (a) Above-ground storage tank; or
  - **(b)** Manufacturing or processing equipment (including related piping) at the described premises,

when the water has been released or rendered unusable for its intended purpose due to direct physical loss of or damage to such tank, equipment or piping by a Covered Cause of Loss.

- (2) This Additional Coverage does not apply to costs to restore or replace water contained in any fire suppression system.
- (3) The most we will pay in any one occurrence under this Additional Coverage is \$25,000.

# m. Water or Other Substance Loss – Tear Out and Replacement Expense

In the event of covered loss or damage caused by or resulting from water (or steam), other liquid, powder or molten material, we will also pay:

- (1) The necessary cost of tearing out and replacing any part of a Covered Building or Structure to repair damage to the system or appliance from which the water (or steam), other liquid, powder or molten material escapes; and
- (2) The cost to repair or replace damaged parts of fire extinguishing equipment if:
  - (a) The damage results in discharge of any substance from an automatic fire protective system; or
  - (b) Is directly caused by freezing.

Except as provided under (2) above, we will not pay the cost to repair any defect in a system or appliance from which the water (or steam), other liquid, powder or molten material escapes.

### 4. Coverage Extensions

Each of the following Coverage Extensions applies subject to the Limit(s) of Insurance stated in this Coverage Form, unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

#### a. Accounts Receivable

(1) You may extend the insurance that applies to Your Business Personal Property to apply to losses and expenses described below that you incur resulting from direct physical loss or damage by a Covered Cause of Loss to your accounts receivable records. Credit card company charge media will be considered accounts receivable until delivered to the credit card company.

We will pay:

- (a) Amounts due from your customers that you are unable to collect;
- (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;

- (c) Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and
- (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable.
- (2) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss, we will:
  - (a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss occurs;
  - (b) Adjust the total for any normal fluctuations in the amount of accounts receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month; and
  - (c) Deduct the following from the total amount of accounts receivable, however that amount is established:
    - (i) The amount of the accounts for which there is no loss;
    - (ii) The amount of the accounts that you are able to reestablish or collect;
    - (iii) An amount to allow for probable bad debts that you are normally unable to collect; and
    - (iv) All unearned interest and service charges.
- (3) The most we will pay in any one occurrence under this Extension for loss and expenses resulting from loss of or damage to your records of accounts receivable:
  - (a) At or within 1,000 feet of the described premises is \$50,000; and
  - **(b)** While in transit or at all undescribed premises is \$25,000.

### b. Appurtenant Buildings and Structures

- (1) At the described premises where Building coverage applies:
  - (a) You may extend the insurance that applies to your buildings to

DX T1 00 11 12

Page 11 of 38

- apply to direct physical loss or damage by a Covered Cause of Loss to incidental appurtenant buildings and structures which are at the described premises but not specifically described in the Declarations; and
- (b) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others, if any, to apply to direct physical loss or damage by a Covered Cause of Loss to such property located within incidental appurtenant buildings or structures which are at the described premises but not specifically described in the Declarations.
- (2) Incidental appurtenant buildings or structures include storage buildings, garages, pump houses, above ground tanks, television and radio towers, antennas, satellite dishes and solar panels mounted on the ground or on poles not attached to buildings and structures. But incidental appurtenant buildings and structures do not include:
  - (a) Outside signs, whether or not attached to buildings or structures;
  - **(b)** Any property to which the Outdoor Property Coverage Extension applies; or
  - **(c)** Any property excluded under Section **A.2.** Property and Costs Not Covered.
- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$100,000.

#### c. Claim Data Expense

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable expenses you incur in preparing claim data when we require it to adjust a covered loss. This includes the cost of taking inventories, making appraisals and preparing other documentation to show the extent of loss.
- (2) We will not pay for:

- (a) Any expenses incurred, directed, or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries:
- **(b)** Any costs as provided in the Appraisal Loss Condition **(G.2.)**; or
- (c) Any expenses incurred, directed, or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.
- (3) The most we will pay for claim data expense in any one occurrence under this Extension is \$25,000.

# d. Covered Leasehold Interest – Undamaged Improvements and Betterments

- (1) You may extend the insurance that applies to Your Business Personal Property at the described premises which you lease from others to apply to your interest as tenant in improvements and betterments, as defined in Section A.1.b.(6) of this Coverage Form, which are not damaged or destroyed, but which you lose due to the cancellation of your lease by your lease by your landlord. The cancellation of your lease by your landlord must:
  - (a) Result from direct physical loss of or damage to property at the described premises where your improvements and betterments are located, caused by or resulting from a Covered Cause of Loss; and
  - **(b)** Be permitted in accordance with the conditions of your written lease agreement.
- (2) The most we will pay for loss in any one occurrence under this Extension is:
  - (a) The applicable Your Business Personal Property Limit of Insurance; or
  - **(b)** \$100,000;

whichever is less.

#### e. Deferred Payments

(1) You may extend the insurance that applies to Your Business Personal Property to apply to your interest in

such business personal property that is sold by you under an installment plan, conditional sale, trust agreement or other deferred payment plan when, as a result of direct physical loss of or damage to such property:

- (a) Occurring within the Coverage Territory at any location, or in transit, after delivery to buyers;
- **(b)** Caused by a Covered Cause of Loss:

the buyer refuses to continue payments owed to you for such property and, as a result, you repossess the remaining damaged property of value, if any.

- (2) The value of your loss under this Extension will be determined as follows:
  - (a) In the event of partial loss to property, the value of your loss will be:
    - (i) The unpaid balance shown on your books as due from the buyer for such property, excluding any interest or fees due; minus
    - (ii) The actual cash value of the repossessed damaged property.
  - (b) In the event of a total loss to property, the value of your loss will be the unpaid balance shown on your books as due from the buyer for such property, excluding any interest or fees due.
- (3) The most we will pay for loss in any one occurrence under this Extension is \$25,000.

#### f. Duplicate Electronic Data Processing Data and Media

(1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to duplicates of your "electronic data processing data and media" while stored in a separate, unattached building anywhere in the Coverage Territory from where your

- original "electronic data processing data and media" are kept.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

# g. Electronic Data Processing Data and Media

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to your costs to research, replace or restore the lost information on lost or damaged "electronic data processing data and media" for which duplicates do not exist. The loss or damage to the "electronic data processing data and media" must be caused by a Covered Cause of Loss.
- (2) The most we will pay in any one occurrence under this Extension for loss or damage to "electronic data processing data and media":
  - (a) At or within 1,000 feet of the described is as follows:
    - \$50,000 at all described premises unless a different Limit of Insurance or Not Covered is shown in the Declarations or Paragraph (ii) below applies;
    - (ii) When Included is shown in the Declarations as the Limit of Insurance, the insurance provided for such property is included in, and does not increase the Limit(s) of Insurance that otherwise apply to loss or damage to Your Business Personal Property and Personal Property of Others at the described premises where the loss occurs;

and

(b) At any other location where the insurance provided under this Coverage Form for Your Business Personal Property and Personal Property of Others applies, including while in transit, is included in and does not increase the Limit of Insurance that otherwise applies to loss or damage to

Your Business Personal Property and Personal Property of Others at that location or in transit. But, in no event will the amount we pay for such loss or damage to "electronic data processing data and media" under this Extension exceed the amount we would have paid had the loss to "electronic data processing data and media" occurred at or within 1,000 feet of the described premises.

### h. Employee Tools

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to "employee tools" at the described premises or while in the care, custody or control of your employees at job sites or while in transit between these locations.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000, but not more than \$2,500 for any one item.

#### i. Extra Expense

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable and necessary Extra Expense you incur, during the period of restoration, due to direct physical loss or damage to property at or within 1,000 feet of the described premises caused by or resulting from a Covered Cause of Loss.
- (2) If you occupy only a portion of a building in which the described premises are located, such premises include all routes within the building to gain access to the portion of the building which you own, rent, lease or occupy.
- (3) As used in this Extension:
  - (a) Extra Expense means necessary expenses you incur that you would not have incurred if there had been no direct physical loss or damage to property:
    - (i) To avoid or minimize the suspension of business and

to continue your normal business operations:

- At the described premises; or
- At replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations;
- (ii) To minimize the suspension of business if you cannot continue your normal business operations at the described premises; or
- (iii) To the extent that it reduces the amount of loss that otherwise would have been payable under this Coverage Form:
  - To repair or replace any property;
  - To research, replace or restore the lost information on lost or damaged "electronic data processing data and media" or "valuable papers and records".
- **(b)** Period of restoration means the period of time that:
  - Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
  - (ii) Ends on the earlier of:
    - The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - The date when business is resumed at a new permanent location.

Period of restoration does not include any increased period re-

quired due to the enforcement of any ordinance or law that:

- (i) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (ii) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

(4) The most we will pay for all Extra Expense in any one occurrence under this Extension is \$25,000.

#### i. Fine Arts

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to "fine arts" at the described premises or in transit.
- (2) The most we will pay in any one occurrence under this Extension for loss of or damage to "fine arts":
  - (a) At or within 1,000 feet of the described premises is \$50,000; and
  - **(b)** While in transit is \$25,000.

#### k. Loss of Master Key

- (1) If a master key or key card to buildings, rooms or compartments that are Covered Property or house Covered Property is lost or damaged by a Covered Cause of Loss, you may extend the insurance provided by this Coverage Form to apply to the actual and necessary costs you incur to:
  - (a) Replace keys and either:
    - (i) Adjust existing locks to accept the new keys; or
    - (ii) Replace existing locks, but only if necessary or less expensive than the cost of adjusting the existing locks;

or

- **(b)** Re-program the key card access control device to accept replacement key cards.
- (2) With respect only to the insurance provided by this Extension, the following changes apply to the Exclusions in Section C. and Limitations in Section D. of this Coverage Form:
  - (a) The exclusion of loss or damage caused by or resulting from dishonest or criminal act under Exclusion C.2.c. (Dishonesty) does not apply, except with respect to dishonest or criminal act by you or any of your partners, directors or trustees;
  - (b) The exclusion of loss of property when there is no physical evidence to show what happened to the property under Limitations D.1.d. does not apply.
- (3) The most we will reimburse you for costs under this Extension is \$25,000 in total arising out of all occurrences occurring during each separate 12 month period of this policy (beginning with the effective date of the policy).

# I. Newly Constructed or Acquired Property

- (1) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage by a Covered Cause of Loss to:
  - (a) Your new buildings or additions while being built on the described premises or newly acquired premises including materials, equipment, supplies and temporary structures, on or within 1,000 feet of the premises;
  - (b) Buildings you acquire at locations other than the described premises; and
  - (c) Buildings which you become newly required to insure under a written contract.

The most we will pay for loss or damage to Buildings in any one occurrence under this Extension is \$2,000,000 at each building.

(2) You may extend the insurance that applies to Your Business Personal

DX T1 00 11 12

nts reserved. Page 15 of 38

Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to that type of property at:

- (a) A building you newly acquire or construct at a location described in the Declarations; and
- (b) Any other location you acquire by purchase or lease (other than at "exhibitions").

The most we will pay for loss or damage to Your Business Personal Property and Personal Property of Others in any one occurrence under this Extension is \$1,000,000 in total at each newly acquired premises.

- (3) Insurance provided under this Extension for each newly acquired or constructed property will end when any of the following first occurs:
  - (a) This policy is cancelled or expires;
  - (b) 180 days expire after you acquire or begin to construct the property;
  - (c) You report values to us; or
  - (d) The property is more specifically insured.

We will charge you additional premium for values reported from the date construction begins or you acquire the property.

#### m. Non-Owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to trailers or semi-trailers that you do not own, provided that:
  - (a) The trailer or semi-trailer is used in your business;
  - **(b)** The trailer or semi-trailer is in your care, custody or control at the described premises; and
  - **(c)** You have a contractual responsibility to pay for loss or damage to the trailer or semi-trailer.
- (2) We will not pay for any loss or damage that occurs:
  - (a) While the trailer or semi-trailer is attached to any motor vehicle or

- motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion; or
- (b) During hitching or unhitching operations, or when a trailer or semi-trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000.
- (4) This insurance is excess over the amount due from any other insurance covering such property, whether you can collect on it or not.

#### n. Outdoor Property

- (1) You may extend the insurance provided by this Coverage Form to apply to:
  - (a) Direct physical loss or damage to your outdoor:
    - (i) Fences;
    - (ii) Retaining walls that are not part of a building;
    - (iii) Lawns (including fairways, greens and tees), artificial turf (including underlayment) trees, shrubs and plants (other than "stock" of trees, shrubs or plants);
    - (iv) Bridges, walks, roadways, patios or other paved surfaces;

at the described premises caused by or resulting from a cause of loss described in (2) below;

and

(b) The reasonable and necessary expense that you incur to remove debris of your outdoor property listed above and similar property of others at your described premises caused by a Cause of Loss listed in (2) below that occurs during the policy period. Such expenses will be paid only if they are reported to us in writing within 180 days of the direct physical loss or damage. Such payment will not increase the Limit of In-

- surance that applies to this Extension.
- (2) This Extension applies only if the loss or damage is caused by or results from the following causes of loss, and then only if they are a Covered Cause of Loss:
  - (a) Fire;
  - (b) Lightning;
  - (c) Explosion;
  - (d) Riot or Civil Commotion;
  - (e) Aircraft;
  - (f) Falling Objects; or
  - (g) "Sinkhole Collapse".
- (3) The most we will pay for loss or damage and debris removal expense in any one occurrence under this Extension is \$25,000, but we will not pay more than \$2,500 for any one tree, shrub or plant.

# o. Outside Signs

- (1) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage by a Covered Cause of Loss to outside signs, whether or not attached to a building, at or within 1,000 feet of the described premises or at any undescribed premises.
- (2) The most we will pay in any one occurrence under this Extension for loss or damage to all outside signs:
  - (a) At or within 1,000 feet of the described premises is \$100,000;
  - **(b)** At all undescribed premises is \$5,000.

#### p. Personal Effects

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to personal effects or "fine arts" owned by your officers, your partners or your employees while such property is at the described premises.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000 at each described premises.

(3) Our payment for loss or damage under this Extension will only be for the account of the owner of the property.

# q. Personal Property At Premises Outside of the Coverage Territory

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to direct physical loss or damage by a Covered Cause of Loss to such property occurring at premises anywhere in the world outside of the Coverage Territory provided that no trade sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.
- (2) This Extension does not apply to:
  - (a) Personal property at an "exhibition";
  - **(b)** Property at any installation site or at temporary storage premises awaiting installation;
  - (c) Sales representative property; or
  - (d) Personal property in transit.
- (3) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

# r. Personal Property In Transit Outside of the Coverage Territory

- (1) Unless otherwise indicated in the Declarations or by endorsement, you may extend the insurance provided for Personal Property in Transit in Section A.1.e. (including any mode of transportation or type of shipment exclusion), to apply to Your Business Personal Property and Personal Property of Others in your care, custody or control in transit anywhere in the world outside of the Coverage Territory provided that no sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering the loss or damage.
- (2) This Extension also applies to Covered Property in transit which is in the custody of your officers or employees.

(3) The most we will pay for loss or damage in any one occurrence under this Extension is \$25,000.

#### s. Theft Damage to Rented Property

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by theft or attempted theft to:
  - (a) That part of any building at the described premises that you occupy, but do not own, and which contains the Covered Property; and
  - (b) Property within such non-owned building used for maintenance or service of the non-owned building.
- (2) This Extension applies only if you are a tenant and are required in your lease to cover the expense.
- (3) We will not be liable under this Extension for loss or damage by fire or explosion, or to glass (other than glass building blocks) or to any lettering, ornamentation or burglar alarm tape on glass.
- (4) Payment under this Extension will not increase the Limit of Insurance that applies to Your Business Personal Property at the described premises where the direct physical loss or damage occurs.

#### t. Undamaged Parts of Stock in Process

- (1) You may extend the insurance that applies to Your Business Personal Property and Personal Property of Others to apply to the reduction in value of undamaged parts of covered products or "stock" in process which become unmarketable. The reduction in value must be the direct result of direct physical loss or damage by a Covered Cause of Loss to other parts of the covered products or "stock" in process at the described premises.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension is \$50,000.

# u. Valuable Papers and Records – Cost of Research

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace or restore the lost information on lost or damaged "valuable papers and records" for which duplicates do not exist. The loss or damage to "valuable papers and records" must be caused by a Covered Cause of Loss.
- (2) The most we will pay for loss or damage in any one occurrence under this Extension:
  - (a) At or within 1,000 feet of the described premises is \$50,000; and
  - **(b)** While in transit or at all undescribed premises is \$25,000.

#### **B. COVERED CAUSES OF LOSS**

Covered Causes of Loss means RISKS OF DI-RECT PHYSICAL LOSS unless the loss is:

- 1. Excluded in Section C., Exclusions;
- 2. Limited in Section D., Limitations; or
- Excluded or limited in the Declarations or by endorsement.

#### C. EXCLUSIONS

We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage. Exclusions C.1.a. through C.1.l. apply whether or not the loss event results in widespread damage or affects a substantial area.

#### a. Certain Computer-Related Losses

- (1) Failure, malfunction or inadequacy of:
  - (a) Any of the following, whether belonging to any insured or to others:
    - (i) Computer hardware, including microprocessors;
    - (ii) Computer application software:
    - (iii) Computer operating systems and related software;
    - (iv) Computer networks;

- (v) Microprocessors (computer chips) not part of any computer system; or
- (vi) Any other computerized or electronic equipment or components:

or

(b) Any other products and services, data or functions, that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph (1)(a) above;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

(2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you to determine, rectify or test for, any potential or actual problems described in Paragraph (1) above.

If an excluded Cause of Loss as described in Paragraphs (1) and (2) above results in any of the "specified causes of loss", or in elevator collision resulting from mechanical breakdown, we will pay only for the loss or damage caused by such "specified causes of loss" or elevator collision.

We will not pay for repair, replacement or modification of any items in Paragraphs (1) and (2) above to correct any deficiencies or change in features.

#### b. Earth Movement

- (1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:
  - (a) Earthquake, including tremors and aftershocks, and earth sinking, rising or shifting related to such event:
  - (b) Landslide, including any earth sinking, rising or shifting related to such event;
  - (c) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
  - (d) Earth sinking (other than "sinkhole collapse"), rising, or shifting

including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface; or

- (e) Volcanic eruption, explosion or effusion.
- (2) If Earth Movement as described in:
  - (a) Paragraphs (1)(a) through (1)(d) above results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion; or
  - (b) Paragraph (1)(e) above, results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (i) Airborne volcanic blast or airborne shock waves;
- (ii) Ash, dust or particulate matter; or
- (iii) Lava flow.

With respect to coverage for Volcanic Action as set forth in (i), (ii) and (iii) above, volcanic eruptions that occur within any 168hour period will constitute a single occurrence. Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

- (3) This exclusion does not apply to:
  - (a) Personal property in transit;
  - (b) Personal property at an "exhibition";
  - (c) Sales representative property; or
  - (d) Personal property in the custody of any officer or employee of the

DX T1 00 11 12

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insured while traveling outside of the Coverage Territory.

#### c. Fungus, Wet Rot or Dry Rot

Presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot.

But if "fungus", wet rot or dry rot results in any of the "specified causes of loss", we will pay for the loss or damage caused by such "specified causes of loss".

This exclusion does not apply:

- (1) When "fungus", wet rot or dry rot results from fire or lightning; or
- (2) To the extent that coverage is provided under the Limited Coverage for Fungus, Wet Rot or Dry Rot Additional Coverage.

#### d. Governmental Action

Seizure or destruction of property by order of governmental authority except as provided for under the Additional Coverage – Ordinance or Law Coverage.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

#### e. Intentional Loss

Any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, including insureds who did not commit or conspire to commit the act causing the loss.

#### f. Neglect

Neglect of an insured to use reasonable means to save and preserve property from further damage at and after the time of loss.

#### g. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the loss or damage caused by that fire.

#### h. Ordinance or Law

- (1) The enforcement of any ordinance or law:
  - (a) Regulating the construction, use or repair of any property; or
  - (b) Requiring the tearing down of any property, including the cost of removing its debris.
- (2) This exclusion, Ordinance or Law, applies whether the loss results from:
  - (a) An ordinance or law that is enforced even if the property has not been damaged; or
  - (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

## i. Utility Services

The failure or fluctuation of power, communication, water or other utility service supplied to the described premises, however caused, if the failure or fluctuation:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure or fluctuation involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure or fluctuation of any utility service includes lack of sufficient capacity and reduction in supply.

But if the failure or fluctuation of power, communication, water or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause or Loss.

Communication services include service relating to Internet access or access to any electronic, cellular or satellite network.

#### i. Virus or Bacteria

(1) Any virus, bacterium, or other microorganism that induces or is capable of inducing physical distress, illness or disease.

(2) With respect to any loss or damage subject to this exclusion, this exclusion supersedes any exclusion relating to "pollutants".

### k. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

#### I. Water

- (1) Any of the following, all whether naturally occurring or due to man-made or other artificial causes:
  - (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether driven by wind (including storm surge) or not;
  - (b) Mudslide or mudflow;
  - (c) Water or sewage that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment. However, this exclusion does not apply to the backup or overflow of water or sewage from drains within a building if the backup or overflow is not otherwise directly or indirectly caused by the Water Exclusions in Paragraphs (a) or (b) above or in Paragraphs (d) or (e) below.
  - **(d)** Water under the ground surface pressing on, or flowing or seeping through:
    - (i) Foundations, walls, floors or paved surfaces;
    - (ii) Basements, whether paved or not; or
    - (iii) Doors, windows or other openings; or

(e) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (a), (c) and (d) above, or material carried or otherwise moved by mudslide or mudflow.

But if **Water**, as described in **(a)** through **(e)** above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

- (2) This exclusion does not apply to:
  - (a) Personal property in transit;
  - (b) Personal property at an "exhibition";
  - (c) Sales representative property; or
  - (d) Personal property in the custody of any officer or employee of the insured while traveling outside of the Coverage Territory.
- **2.** We will not pay for loss or damage caused by or resulting from any of the following:

### a. Collapse

- (1) Collapse, including any of the following conditions of property or any portion of the property:
  - (a) An abrupt falling down or caving in;
  - (b) Loss of structural integrity, including separation of portions of the property or property in danger of falling down or caving in; or
  - (c) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion as such condition relates to Paragraphs (a) or (b) above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

- (2) This Exclusion does not apply:
  - (a) To an abrupt collapse to the extent that coverage is provided under the Abrupt Collapse Additional Coverage in (3) below; or

- **(b)** To collapse of Covered Property caused by one or more of the following:
  - (i) Any of the "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
  - (ii) Weight of rain that collects on a roof; or
  - (iii) Weight of people or personal property.
- (3) Abrupt Collapse Additional Coverage

  The term Covered Cause of Loss includes abrupt collapse as described and limited under Paragraphs (a) through (g) below.
  - (a) As used in this Additional Coverage, abrupt collapse means abrupt falling down or caving in of a building or any portion of a building with the result that the building or portion of the building cannot be occupied for its intended purpose.
  - (b) We will pay for direct physical loss of or damage to Covered Property, caused by abrupt collapse of a building or any portion of a building that is insured under this Coverage Form, or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
    - (i) Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
    - (ii) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
    - (iii) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation;

- (iv) Use of defective material or methods of construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling, or renovation is complete, but only if the collapse is caused in part by:
  - A cause of loss listed in Paragraphs (3)(b)(i) or (3)(b)(ii) above;
  - One or more of the "specified causes of loss";
  - Breakage of building glass;
  - Weight of people or property; or
  - Weight of rain that collects on a roof.
- (c) Abrupt collapse under Paragraphs (3)(a) and (b) above does not apply to:
  - (i) A building or any portion of a building that is in danger of falling down or caving in;
  - (ii) A portion of a building that is standing, even if it has separated from another portion of the building; or
  - (iii) A building that is standing or any portion of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion
- **(d)** With respect to the following property:
  - (i) Television and radio towers, antennas, satellite dishes, guy wires, lead-in wiring and masts;
  - (ii) Awnings, canopies, gutters, downspouts and fences;
  - (iii) Yard fixtures;
  - (iv) Outdoor swimming pools;
  - (v) Bulkheads, pilings, piers, wharves and docks;

- (vi) Beach or diving platforms or appurtenances;
- (vii) Retaining walls;
- (viii) Underground pipes, flues or drains; and
- (ix) Walkways, roadways and other paved surfaces;

if abrupt collapse is caused by a Cause of Loss listed in Paragraphs (3)(b)(i) through (3)(b)(iv) above, we will pay for loss or damage to that property only if:

- (i) Such loss or damage is a direct result of the abrupt collapse of a building or any portion of a building insured under this Coverage Form; and
- (ii) The property is Covered Property under this Coverage Form.
- (e) If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building or any portion of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
  - (i) The collapse of personal property was caused by a Cause of Loss listed in Paragraphs (3)(b)(i) through (3)(b)(iv) above;
  - (ii) The personal property which collapses is inside a building; and
  - (iii) The personal property which collapses is not of a kind listed in Paragraph (3)(d) above, regardless of whether that kind of property is considered to be personal property or real property.
- (f) This Abrupt Collapse Additional Coverage does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

**(g)** This Abrupt Collapse Additional Coverage will not increase the Limits of Insurance provided in this Coverage Part.

#### b. Consequential Loss

- Delay, loss of use or loss of market; or
- (2) Loss of business income or extra expense except as specifically provided in this Coverage Part.

### c. Dishonesty

Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or
- (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees (including leased employees), but theft by employees is not covered.

This exclusion does not apply to carriers for hire.

### d. Electrical Damage or Disturbance

Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

Electrical, magnetic or electromagnetic energy includes:

- (1) Electrical current, including arcing;
- (2) Electrical charge produced or conducted by a magnetic or electromagnetic field:
- (3) Pulse of electromagnetic energy;
- (4) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

This Exclusion does not apply to loss or damage to "electronic data processing

DX T1 00 11 12

d. Page 23 of 38

equipment" or "electronic data processing data and media".

### e. Explosion

Explosion of steam boilers, steam generators, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control.

But if explosion of steam boilers, steam generators, steam pipes, steam engines, or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

#### f. Exposed Property

Rain, snow, sand, dust, ice or sleet to personal property in the open (other than to property in the custody of a carrier for hire).

#### g. Freezing

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning, ventilation or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

- (1) You do your best to maintain heat in the building or structure; or
- (2) You drain the equipment and shut off the supply if the heat is not maintained.

#### h. Liquid Seepage or Leakage

Continuous or repeated seepage or leakage of water or other liquid, or the presence or condensation of humidity, moisture or vapor that occurs over a period of 14 days or more.

### i. Other Types of Losses

- (1) Wear and tear;
- (2) Rust, or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- **(3)** Smog;
- **(4)** Settling, cracking, shrinking, bulging or expansion;

- (5) Nesting or infestation or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

This Exclusion does not apply to loss or damage to "electronic data processing equipment" or "electronic data processing data and media";

- (7) The following causes of loss to personal property:
  - (a) Dampness or dryness of atmosphere;
  - (b) Changes in or extremes of temperature;
  - **(c)** Changes in flavor, color, texture or finish:
  - (d) Contamination by other than "pollutants"; and
  - (e) Marring or scratching.

But if an excluded cause of loss that is listed in Paragraphs (1) through (7) above results in any of the "specified causes of loss" or building glass breakage, we will pay for the loss or damage caused by such "specified causes of loss" or building glass breakage.

Also, if an excluded cause of loss listed in Paragraphs (1) through (5) or (7) above results in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that mechanical breakdown of "electronic data processing equipment".

#### i. Pollution

Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in any of the "specified causes of loss", we will pay for the loss or damage caused by such "specified causes of loss".

### k. Smoke, Vapor or Gas

Smoke, vapor or gas from agricultural smudging or industrial operations.

This exclusion does not apply to emissions or puff backs of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

### I. Voluntary Parting

Voluntary parting with any property by you or anyone else to whom you have entrusted the property.

This Exclusion does not apply to insurance provided under this Coverage Form for personal property in transit if the loss to Covered Property is caused by your acceptance, in good faith, of false bills of lading or shipping receipts.

- 3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c., but if an excluded cause of loss that is listed in 3.a. and 3.b. below results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
  - a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in C.1. above to produce the loss or damage.
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body except as provided in the Additional Coverage – Ordinance or Law Coverage.
  - **c.** Faulty, inadequate or defective:
    - Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;

of part or all of any property on or off the described premises.

If an excluded cause of loss that is listed in **3.c.** above results in a Covered Cause of Loss, we will pay for the resulting loss or damage caused by that Covered Cause of Loss. But we will not pay for:

- (1) Any cost of:
  - (a) Correcting or making good the fault, inadequacy or defect itself; or
  - (b) Tearing down, tearing out, repairing or replacing any part of any property to correct the fault, inadequacy or defect;

except as specifically provided under the Water or Other Substance Loss – Tear Out and Replacement Expense Additional Coverage; or

(2) Any resulting loss or damage by a Covered Cause of Loss to the property that has the fault, inadequacy or defect until the fault inadequacy or defect is corrected.

#### 4. Special Exclusions

The following exclusions apply only with respect to the specified coverage or property.

#### a. Accounts Receivable

Under the Accounts Receivable Coverage Extension, we will not pay for:

- (1) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions;
- (2) Any loss or damage that requires an audit of records or an inventory computation to prove its factual existence;
- (3) Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal wrongful giving, taking or withholding of money, securities or other property. But this exclusion only applies to the wrongful giving, taking or withholding.

#### b. Valuable Papers and Records

We will not pay for any loss of or damage to "valuable papers and records" caused by or resulting from the following. In addition, we will not pay for any loss that is a consequence of such loss or damage.

(1) Unauthorized viewing, copying or use of electronic data (or any proprietary or confidential information or intellectual property in any form) by any person, even if such activity is characterized as theft;

DX T1 00 11 12

Page 25 of 38

- (2) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the resulting loss or damage caused by that fire or explosion; or
- (3) Unauthorized instructions to transfer property to any person or place.

# c. Electronic Data Processing Equipment and Electronic Data Processing Data and Media

- (1) We will not pay for loss of or damage to "electronic data processing equipment", any other programmable electronic machines, "electronic data processing data and media" or other electronic data caused by or resulting from the following. In addition, we will not pay for any loss that is a consequence of such loss or damage.
  - (a) Programming errors, omissions or incorrect instructions to a machine. But if programming errors, omissions or incorrect instructions to a machine result in any of the "specified causes of loss" or result in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that "specified cause of loss" or mechanical breakdown of "electronic data processing equipment";
  - (b) Unauthorized viewing, copying or use of "electronic data processing data and media" by any person, even if such activity is characterized as theft;
  - (c) Errors or deficiency in design, installation, maintenance, repair or modification of your electronic data processing system or any electronic data processing system or network to which your system is connected or on which your system depends (including the electronic data in such system or network). But if errors or deficiency in design, installation, maintenance, repair or modification of your electronic data processing system or any electronic data processing system or network to which your system is

- connected or on which your system depends (including the electronic data in such system or network) results in any of the "specified causes of loss" or results in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that "specified cause of loss" or mechanical breakdown of "electronic data processing equipment"; or
- (d) Unexplained or indeterminable failure, malfunction or slowdown of any electronic data processing system or network, including the electronic data in such system or network, and the inability to access or properly manipulate the electronic data.
- (2) We will not pay for loss of or damage to "electronic data processing data and media" or other electronic data while being sent electronically. In addition, we will not pay for any loss that is a consequence of such loss or damage.

#### 5. Additional Exclusion

The following exclusion applies only to loss or damage to the specified property and to loss that is a consequence of such loss or damage to the specified property.

#### **Loss or Damage to Products**

We will not pay for loss of or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance, or quality of the product. But, if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

#### D. LIMITATIONS

The following limitations apply to all coverage forms and endorsements unless otherwise stated.

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- We will not pay for loss of or damage to property, as described and limited in this section.
   In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
  - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
  - **b.** Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
  - c. The "interior of a building or structure", or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
    - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
    - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
  - d. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
    - This limitation does not apply to property in the custody of a carrier for hire.
  - e. Property that has been transferred to a person or place outside the described premises on the basis of unauthorized instructions.
  - f. Trees, shrubs, plants or lawns on a vegetative roof or "stock" of outdoor trees, shrubs and plants caused by or resulting from:
    - (1) Dampness or dryness of atmosphere;
    - (2) Changes in or extremes of temperature; or
    - (3) Rain, snow, sand, dust, ice or sleet.

- 2. The special limit shown for each category, a. through c., is the total limit for loss of or damage to all property in each category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:
  - **a.** \$25,000 for furs, fur garments and garments trimmed with fur.
  - b. \$25,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals, but;
    - (1) This limit is increased to \$50,000 for gold, silver, platinum, and other precious alloys or metals used as a raw material in your manufacturing process; and
    - (2) This limit does not apply to jewelry and watches worth \$100 or less per item.
  - **c.** \$5,000 for stamps, tickets (including lottery tickets held for sale) and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

- 3. If the building where loss or damage occurs has been "vacant" for a period of more than 60 consecutive days before that loss or damage occurs:
  - a. We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
    - (1) Vandalism;
    - (2) Sprinkler leakage, unless you have protected the system against freezing;
    - (3) Building glass breakage;
    - (4) Water damage;
    - (5) Theft; or
    - (6) Attempted theft.
  - b. With respect to Covered Causes of Loss other than those listed in a.(1) through a.(6) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

#### **E. LIMITS OF INSURANCE**

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations, Schedules, Coverage Form(s), or Endorsement(s).

Payments under:

- 1. The following Additional Coverages:
  - Fire Department Service Charge;
  - b. Fire Protective Equipment Discharge;
  - c. Limited Coverage for Fungus, Wet Rot or Dry Rot;
  - d. Stored Water; and
  - Water or Other Substance Loss Tear Out and Replacement Expense;

and

- 2. The following Coverage Extensions:
  - a. Covered Leasehold Interest Undamaged Improvements and Betterments;
     and
  - **b.** Theft Damage To Rented Property;

are included in and do not increase the applicable Limits of Insurance.

Payments under the Debris Removal Additional Coverage and the Preservation of Property Additional Coverage are included in the applicable Covered Property Limit(s) of Insurance and/or are additional insurance, as described in the Debris Removal Additional Coverage in Section **A.3.a.** and the Preservation of Property Additional Coverage in Section **A.3.j.** 

Payments under the Electronic Data Processing Data and Media Coverage Extension are included in the applicable Covered Property Limit(s) of Insurance and/or are additional insurance, as described in the Electronic Data Processing Data and Media Coverage Extension in Section **A.4.g.** 

The remaining Additional Coverages in Section **A.3.** and the remaining Coverage Extensions in Section **A.4.** are additional insurance.

#### F. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the applicable Deductible, up to the applicable Limit of Insurance.

Unless otherwise stated, if more than one deductible amount applies to loss or damage in any one occurrence, the total of the deductible amounts applied in that occurrence will not exceed the amount of the largest applicable deductible.

#### **G. LOSS CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions – Deluxe:

#### 1. Abandonment

There can be no abandonment of any property to us.

#### 2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- **b.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

#### 3. Duties in the Event of Loss or Damage

- a. You must see that the following are done in the event of loss of or damage to Covered Property:
  - Notify the police if a law may have been broken.
  - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
  - (3) As soon as possible, give us a description of how, when, and where the loss or damage occurred.
  - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set

- the damaged property aside and in the best possible order for examination
- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property and records proving the loss or damage and examine your books and records.
  - Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis and permit us to make copies from your books and records.
- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- (9) You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent except as respects to protecting property from further damage.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

#### 4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
  - (1) Pay the value of lost or damaged property;
  - (2) Pay the cost of repairing or replacing the lost or damaged property subject to **b.**, **c.**, **d.** and **e.** below;
  - (3) Take all or any part of the property at an agreed or appraised value; or

- (4) Repair, rebuild, or replace the property with other property of like kind and quality subject to b., c., d. and e. below.
- **b.** A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable Coverage Part provisions including Limits of Insurance, the Valuation Loss Condition and all other provisions of this Loss Payment Loss Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Additional Condition - Transfer of Rights of Recovery Against Others To Us in this Coverage Form.
- c. Except as provided in the Additional Coverage Ordinance or Law Coverage, the cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- d. The following loss payment provisions are subject to the apportionment procedures set forth in Additional Coverage – Ordinance or Law Coverage:
  - The most we will pay, for the total of all covered losses in any one occurrence under Coverage **A** Coverage For Loss To The Undamaged Portion of the Building, Coverage **B** Demolition Cost Coverage and Coverage **C** Increased Cost of Construction Coverage, is the Combined Limit of Insurance shown in the Declarations for Ordinance or Law Coverage. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

- (1) For a loss in value of an undamaged portion of a building to which Coverage A applies, the loss payment for that undamaged portion of the building will be determined as follows:
  - (a) If Replacement Cost Coverage applies and the property is being repaired or replaced, on the same or another location, we will not pay more than the lesser of:
    - (i) The cost to repair, rebuild or reconstruct the undamaged portion of the building that was necessarily demolished as a consequence of the ordinance or law but not for more than the amount it would cost to restore that undamaged portion of the building on the same location and to the same height, floor area, style and comparable quality of the original property insured; or
    - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage Ordinance or Law Coverage.
  - (b) If Replacement Cost Coverage applies and the property is not repaired or replaced, or if Replacement Cost Coverage does not apply, we will not pay more than the lesser of:
    - (i) The Actual Cash Value at the time of loss of the undamaged portion of the building that is required to be demolished as a consequence of the ordinance or law; or
    - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage Ordinance or Law Coverage.
- (2) Loss payment under Coverage **B** will be determined as follows:
  - (a) The amount you actually spend to demolish and clear the site; or
  - **(b)** The Combined Limit of Insurance shown in the Declarations for the

Additional Coverage – Ordinance or Law Coverage:

whichever is less.

- (3) Loss payment under Coverage C will be determined as follows:
  - (a) We will not pay under Coverage C:
    - (i) Until the property is actually repaired or replaced, at the same or another location; and
    - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
  - (b) If the building is repaired or replaced at the same location, or if you elect to rebuild at another location, the most we will pay under Coverage C is the lesser of:
    - (i) The increased cost of construction at the same location; or
    - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage Ordinance or Law Coverage.
  - (c) If the ordinance or law requires relocation to another location, the most we will pay under Coverage C is the lesser of:
    - (i) The increased cost of construction at the new location;
    - (ii) The Combined Limit of Insurance shown in the Declarations for the Additional Coverage Ordinance or Law Coverage.
- e. Except as specifically provided under the:
  - Green Building Alternatives Increased Cost Additional Coverage; and
  - (2) Green Building Reengineering and Recertification Expense Additional Coverage;

the cost to repair, rebuild or replace does not include any cost incurred to reattain a pre-loss level of "green building" certification from a "Green Authority".

- f. With respect to our options listed in 4.a.(1) through 4.a.(4) above, we will give notice of our intentions within 30 days after we receive the proof of loss.
- **g.** We will not pay you more than your financial interest in the Covered Property.
- h. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owner's property. We will not pay the owners more than their financial interest in the Covered Property.
- i. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- j. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if:
  - (1) You have complied with all of the terms of this Coverage Part; and
  - (2) (a) We have reached agreement with you on the amount of loss; or
    - **(b)** An appraisal award has been made.
- **k.** At our option, we may make a partial payment toward any claims, subject to the policy provisions and our normal adjustment process. To be considered for a partial claim payment, you must submit a partial sworn proof of loss with supporting documentation. Any applicable policy deductibles must be satisfied before any partial payments are made.

#### 5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property.

- a. We will pay:
  - (1) Recovery expenses; and
  - (2) Costs to repair the recovered property:
- b. But the amount we will pay will not exceed:

- (1) The total of a.(1) and a.(2) above;
- (2) The value of the recovered property; or
- (3) The Limit of Insurance;

whichever is less.

#### 6. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a. At replacement cost as of the time of loss or damage, except as otherwise provided in this Valuation Loss Condition. Replacement cost is the cost to replace Covered Property at the time of loss or damage without deduction for depreciation.
  - (1) You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.
  - (2) We will not pay on a replacement cost basis for any loss or damage:
    - (a) Until the lost or damaged property is actually repaired or replaced; and
    - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

Instead, we will pay on an actual cash value basis. This restriction does not apply to losses less than \$10,000.

- (3) We will not pay more for loss or damage on a replacement cost basis than the least of (a), (b), or (c), subject to (4) below:
  - (a) The Limit of Insurance applicable to the lost or damaged property;
  - **(b)** The cost to replace, at the same premises, the lost or damaged property with other property;
    - (i) Of comparable material and quality; and

- (ii) Used for the same purpose; or
- (c) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a different premises, the cost described in **(b)** above is limited to the cost which would have been incurred had the building been built at the original premises.

- (4) The cost to repair, rebuild, or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property, except as provided in the Additional Coverage - Ordinance or Law Coverage.
- b. "Electronic data processing equipment" will be valued at replacement cost as of the time and place of loss, in accordance with the replacement cost provisions contained in this Valuation Loss Condition. However, if replacement of "electronic data processing equipment" with comparable property is impossible, the replacement cost will be the cost of items that are similar to the damaged or destroyed equipment and intended to perform the same function, but which may include technological advances.

In no event will the value determined for:

- "Electronic data processing equipment" owned by others exceed the amount for which you are liable; or
- (2) "Electronic data processing equipment" that is obsolete or no longer used by you exceed the actual cash value of such equipment at the time of loss.
- **c.** "Electronic data processing data and media" will be valued at:
  - (1) The cost of blank media; and
  - (2) The cost of labor to copy the electronic data from a duplicate of the electronic data, but only if the lost electronic data is actually copied.

The restoration of "electronic data processing data and media" for which duplicates do not exist is provided under the

- Electronic Data Processing Data and Media Coverage Extension.
- **d.** Tenant's improvements and betterments at:
  - (1) Replacement cost of the lost or damaged property if it is actually repaired or replaced as soon as reasonably possible.
  - (2) A proportion of your original cost if you do not make repairs as soon as reasonably possible. We will determine the proportionate value as follows:
    - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
    - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

- (3) Nothing if others pay for repairs or replacement.
- **e.** Personal property you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- f. Personal property of others at the lesser of:
  - (1) The valuation of such property if it were owned by you; or
  - (2) The amount for which you are contractually liable, not to exceed the replacement cost.
- **g.** "Stock" in process at the cost of raw materials and labor, plus the proper proportion of overhead charges.
- **h.** Finished "stock" you manufacture at:
  - The selling price, as if no loss or damage occurred;
  - (2) Less discounts and expenses you otherwise would have had.
- i. Personal property in transit at:
  - (1) (a) The amount of invoice; or

- **(b)** In the absence of an invoice, the least of the following:
  - (i) The value of the Covered Property;
  - (ii) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
  - (iii) The cost of replacing that property with substantially the same property;

plus

- (2) The amount of any prepaid freight charges and other shipping costs or charges that are incurred while the property is in transit.
- i. Glass at:
  - The cost of replacement with safety glazing material if required by law; plus
  - (2) The amount of reasonable expenses incurred to put up temporary plates or board up openings if repair or replacement of the damaged glass is delayed.
- **k.** "Valuable papers and records" at the cost of:
  - Blank material for reproducing the records; and
  - (2) Labor to transcribe or copy records for which duplicates exist.

The restoration of data on "valuable papers and records" for which duplicates do not exist is provided under the Valuable Papers and Records – Cost of Research Coverage Extension.

- **I.** Works of arts, antiques or rare articles at the least of:
  - (1) The price at which the property could likely be sold prior to loss or damage if offered for sale in a fair market on the date the loss or damage occurred;
  - **(2)** The cost of reasonably restoring that property; or
  - **(3)** The cost of replacing that property with substantially the same property.
- **m.** Personal property at "exhibitions" at the lesser of replacement cost or the original cost to you.

- n. Patterns, dies, molds, and forms not in current usage at actual cash value. If loss is paid on an actual cash value basis, and within 24 months from the date of the loss you need to repair or replace one or more of them, we will pay you, subject to the conditions of this insurance, the difference between actual cash value and replacement cost for those patterns, molds and dies which are actually repaired or replaced.
- O. Personal property valuation includes the pro-rated value of non-refundable and non-transferable extended warranties, maintenance contracts or service contracts that you purchased, on lost or damaged personal property that you repair or replace. This applies only when the extended warranty, maintenance contract or service contract is voided due to the loss or damage to the personal property.
- p. If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss and we take all or part of the property at an agreed or appraised value, we will pay, subject to the Limit of Insurance that applies to the damaged property:
  - (1) The reasonable expenses you incur to:
    - (a) Stamp the word Salvage on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
    - (b) Remove the brands or labels, if doing so will not physically damage the merchandise. You must re-label the merchandise or its containers to comply with the law.
  - (2) The reduction in the salvage value of the damaged merchandise with the brand or label removed.
- q. If you decide to repair or rebuild buildings which have sustained loss or damage, our payment will include any reasonable and necessary architectural, engineering, consulting or supervisory fees incurred. This will not increase the applicable Limits of Insurance.
- r. Pairs, sets or parts:
  - (1) In case of loss to any part of a pair or set we may at our option:

DX T1 00 11 12

Page 33 of 38

- (a) Repair or replace any part to restore the pair or set to its value before the loss: or
- **(b)** Pay the difference between the value of the pair or set before and after the loss.
- (2) In case of loss to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

#### H. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions – Deluxe:

#### 1. Concealment, Misrepresentation or Fraud

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Part;
- **b.** The Covered Property;
- **c.** Your interest in the Covered Property; or
- d. A claim under this Coverage Part.

#### 2. Control of Property

The breach of any condition of this Coverage Part as a result of act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

#### 3. Currency

The amounts used within this Coverage Part are in the currency of the United States of America and all premium and losses are payable in United States currency. In the event of a loss adjustment involving currency other than United States currency, the conversion into United States currency will be at the published rate of exchange as of the date of the loss.

#### 4. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

**a.** There has been full compliance with all of the terms of this Coverage Part; and

**b.** The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

#### 5. Liberalization

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

#### 6. Mortgageholders

- The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- **c.** The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
  - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
  - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
  - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
  - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

(2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- **f.** If we cancel this policy, we will give written notice to the mortgageholder at least:
  - 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
  - (2) 60 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 60 days before the expiration date of this policy.

#### 7. No Benefit to Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

#### 8. Other Insurance

- a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- b. If there is other insurance covering the same loss or damage, other than that described in Paragraph a. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- c. If loss or damage is also covered by a service agreement, any amounts payable for such loss or damage under this Coverage Part will be excess over any amounts payable under such agreement. Service agreement means a service plan, property restoration plan, or similar ser-

vice warranty agreement, even if it is characterized as insurance.

#### 9. Policy Period, Coverage Territory

Under this Coverage Part:

- **a.** We cover loss or damage commencing:
  - (1) During the policy period shown in the Declarations; and
  - (2) Within the Coverage Territory.
- **b.** Except as otherwise specifically provided, the Coverage Territory is:
  - The United States of America (including its territories and possessions);
  - (2) Puerto Rico; and
  - (3) Canada.

### 10. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- a. Prior to a loss under this Coverage Part.
- **b.** After a loss under this Coverage Part only if, at time of loss, that party is one of the following:
  - (1) Someone insured by this insurance;
  - (2) A business firm:
    - (a) Owned or controlled by you; or
    - **(b)** That owns or controls you; or
  - (3) Your tenant.

This will not restrict your insurance.

#### 11. Unintentional Errors In Description

Your error in how you describe the address of a location in the Location Schedule shall not prejudice coverage afforded by this policy, provided such error is not intentional. Any such error shall be reported and corrected when discovered and appropriate premium charged.

#### I. OPTIONAL COVERAGES

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

DX T1 00 11 12

Page 35 of 38

 Actual Cash Value replaces the term Replacement Cost where used in the Valuation Loss Conditions in Section G.6. of this Coverage Form.

#### 2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applies will automatically increase by the annual percentage shown in the Declarations.
- **b.** The amount of increase will be:
  - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance: times
  - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08); times
  - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

#### Example:

If:

The applicable Limit of Insurance is: \$100,000

The annual percentage increase is: 8%

The number of days since the beginning of the policy year (or last policy change)

is: 146

The amount of the increase is:  $$100,000 \times .08 \times 146/365 = $3,200$ 

#### J. DEFINITIONS

- "Electronic Data Processing Data and Media" means the following:
  - a. "Electronic data processing data and media" means:
    - (1) Data stored on, created or used on, or transmitted to or from computer software (including systems and applications software) on electronic data processing recording or storage media such as hard or floppy disks, CDs, DVDs, flash memory, tapes, drives, cells, data processing devices or any other repositories of computer

- software which are used with electronically controlled equipment:
- (2) The electronic media on which the data is stored; and
- (3) Programming records and instructions used with "electronic data processing equipment".
- **b.** "Electronic data processing data and media" does not mean:
  - (1) Prepackaged software;
  - (2) Property that you manufacture or hold for sale; or
  - (3) Property that is licensed, leased, or rented to others.
- 2. "Electronic Data Processing Equipment" means the following:
  - a. "Electronic data processing equipment" means any of the following equipment used in your data processing operations:
    - (1) Electronic data processing equipment, facsimile machines, word processors, multi-functional telephone equipment and laptop and portable computers; and
    - **(2)** Any component parts or peripherals of such equipment, including related surge protection devices.
  - **b.** "Electronic data processing equipment" does not mean:
    - Property that is in the course of manufacture, or held for sale or distribution by you;
    - (2) Property that is leased or rented to others; or
    - (3) Equipment that is used to control or operate production-type machinery or equipment.
- **3.** "Employee Tools" means tools and equipment owned by your employees and used in your business operations.
- 4. "Exhibition" means the temporary display of personal property at a convention, exposition, trade show or similar event at a location you do not own or regularly occupy.
- 5. "Fine Arts" means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac and

- similar property of rarity, historical value, or artistic merit.
- **6.** "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents, or by-products produced or released by fungi.
- 7. "Green" means products, materials, methods and processes that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize the environmental impact.
- **8.** "Green Authority" means a recognized authority on "green" building or "green" products, materials or processes.
- **9.** "Interior of a Building or Structure" means any portion of a building or structure that is within the exterior-facing surface material of the building or structure.
- 10. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and any unhealthful or hazardous building materials (including but not limited to asbestos and lead products or materials containing lead). Waste includes materials to be recycled, reconditioned or reclaimed.
- 11. "Sinkhole Collapse" means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite.

This cause of loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man made underground cavities.
- 12. "Specified Causes of Loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke (including the emission or puff back of smoke, soot, fumes or vapors from a boiler, furnace or related equipment); aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects as limited below; weight of snow, ice or sleet; "water damage", all only as otherwise insured against in this Coverage Part.

Falling objects does not include loss or damage to:

a. Personal property in the open; or

b. The "interior of a building or structure", or property inside a building or structure, unless the roof or an exterior wall of the building or structure is first damaged by a falling object.

When the Causes of Loss – Earthquake endorsement, Causes of Loss – Earthquake Sprinkler Leakage endorsement or Causes of Loss – Broad Form Flood endorsement is included in this Coverage Part, "specified causes of loss" also includes such cause of loss, but only to the extent such cause of loss is insured against under this Coverage Part.

- 13. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.
- 14. "Territorial Waters" means that portion of the sea which is immediately adjacent to the shores of any country and over which the sovereignty and exclusive jurisdiction of that country extends, but not exceeding 12 nautical miles from the mean low-water mark of the shore of that country.
- **15.** "Vacant" means the following:
  - a. When this policy is issued to a tenant, a building is "vacant" when it does not contain enough business personal property to conduct customary operations. With respect to tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant.
  - **b.** When this policy is issued to the owner or general lessee of a building, a building is "vacant" unless at least 31% of its total square footage is:
    - (1) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
    - **(2)** Used by the building owner to conduct customary operations.

With respect to the owner or general lessee's interest in Covered Property, building means the entire building.

- c. A building under construction or renovation is not considered "vacant".
- **16.** "Valuable Papers and Records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps and mortgages.

But "Valuable papers and records" does not mean:

- a. Accounts receivable;
- b. Money or securities; or
- c. "Electronic data processing data and media" or any other data that exists on electronic media.

#### 17. "Water damage" means:

a. Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts)

- that is located on the described premises and contains water or steam; and
- b. Accidental discharge or leakage of water as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the described premises, if the breakage or cracking is caused by wear and tear. This provision serves as an exception to the wear and tear exclusion under the Other Types of Losses Exclusion in Section (C.2.i.). But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion (C.1.I.).

# DELUXE BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. REFER TO SECTION G. – DEFINITIONS in this Coverage Form and SECTION J. – DEFINITIONS in the Deluxe Property Coverage Form.

#### A. COVERAGE

We will pay for:

- The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
- The actual Extra Expense you incur during the "period of restoration";

caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income and Extra Expense Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- The portion of the building which you rent, lease or occupy; and
- Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

#### 1. Business Income

- a. Business Income means the sum of the:
  - (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; plus
  - (2) Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

- **b.** The coverage provided for Business Income is based on the entry shown in the Declarations for "Rental Value". When:
  - (1) Included is shown, the term Business Income includes "Rental Value":
  - (2) Excluded is shown, the term Business Income excludes "Rental Value":
  - (3) Only is shown, the term Business Income means "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

#### 2. Extra Expense

Extra Expense means reasonable and necessary expenses described in **a.**, **b.** and **c.** below that you incur during the "period of restoration" and that you would not have incurred if there had been no direct physical loss of or damage to property caused by or resulting from a Covered Cause of Loss:

- a. Expenses to avoid or minimize the "suspension" of business and to continue "operations" at:
  - (1) The described premises; or
  - (2) Replacement premises or temporary locations, including:
    - (a) Relocation expenses; and
    - (b) Costs to equip and operate the replacement premises or temporary locations;
- **b.** Expenses to minimize the "suspension" of business if you cannot continue "operations"; or
- c. Expenses to repair or replace property, but only to the extent the amount of loss that otherwise would have been payable under this Coverage Form is reduced.

DX T1 01 11 12

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Page 1 of 13

#### 3. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS unless the loss is excluded or limited in:

- a. Section C. Exclusions or Section D. Limitations of the Deluxe Property Coverage Form; or
- **b.** Section **B.** Exclusions and Limitation of this Coverage Form; or
- **c.** In the Declarations or by endorsement.

#### 4. Additional Coverages

Each of the following Additional Coverages applies subject to the Limit(s) of Insurance stated in this Coverage Form, unless a revised Limit of Insurance or *Not Covered* is indicated in the Declarations or the coverage is otherwise amended by endorsement:

#### a. Alterations and New Buildings

We will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from a Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the described premises and:
  - (a) Used in the construction, alterations or additions; or
  - **(b)** Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred. This change in the start of the "period of restoration" does not apply to Extra Expense.

## b. Business Income From Dependent Property

- (1) We will pay for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "op-

- erations" during the "period of restoration"; and
- (b) The actual Extra Expense you incur during the "period of restoration";

caused by direct physical loss of or damage to property at the premises of a "dependent property" located anywhere in the world provided that no sanction, embargo or similar regulation imposed by the United States of America prohibits us from covering such loss. The loss or damage to the property must be caused by or result from a Covered Cause of Loss.

- (2) This Additional Coverage does not apply to "dependent property" for which you have more specific insurance under this or any other policy.
- (3) The most we will pay in any one occurrence under this Additional Coverage for loss of Business Income and Extra Expense arising out of damage to property at the premises of a "dependent property" located:
  - (a) Within the Coverage Territory is \$100,000; and
  - **(b)** Anywhere in the world outside of the Coverage Territory is \$100,000.
- (4) With respect only to the insurance provided under this Additional Coverage, the phrase, at the described premises, as used in the definition of "period of restoration" is deleted and replaced by the phrase at the premises of a "dependent property".

#### c. Civil Authority

- (1) When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:
  - (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and

- the described premises are within that area but are not more than 100 miles from the damaged property; and
- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.
- (2) Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to thirty consecutive days from the date on which such coverage began.
- (3) Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:
  - (a) Thirty consecutive days after the date of that action; or
  - **(b)** When your Civil Authority Coverage for Business Income ends;

whichever is later.

#### d. Contract Penalties

- (1) We will pay for Contract Penalties you incur due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" of your "operations" must be caused by direct physical loss or damage by a Covered Cause of Loss to property at the described premises, including "finished stock" and personal property in the open (or in a vehicle) within 1,000 feet of the described premises.
- (2) As used in this Additional Coverage, Contract Penalties means amounts which, under the terms of a written contract that is in effect at the time of the direct physical loss or damage, you are required to pay to your customers for failure to deliver your products or services on time.

(3) The most we will pay for all Contract Penalties incurred in any one occurrence under this Additional Coverage, regardless of the number of contracts involved is \$25.000.

#### e. Extended Business Income

#### (1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this Coverage Part, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
  - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the Business Income amount that would have existed if no direct physical loss or damage had occurred; or
  - (ii) 180 consecutive days after the date determined in (1)(a) above, unless otherwise stated in the Declarations or by endorsement.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss of or damage to property at the described premises caused by or resulting from a Covered Cause of Loss.

#### (2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
  - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
  - (ii) 180 consecutive days after the date determined in (2)(a) above, unless otherwise stated in the Declarations or by endorsement.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from a Covered Cause of Loss.

### f. Fungus, Wet Rot or Dry Rot – Amended Period of Restoration

- (1) The coverage described in f.(2) and f.(3) below only applies when "fungus", wet rot or dry rot is the result of any of the "specified causes of loss", other than fire or lightning, that occurs at the described premises during the policy period, and only if all reasonable means have been used to save and preserve the property from further damage at the time of and after that occurrence.
- (2) If the cause of loss at the described premises which results in "fungus", wet rot or dry rot does not, in itself, necessitate a "suspension" of "operations", but such "suspension" of "operations" is necessary due to loss or damage to property at the described premises caused by "fungus", wet rot or dry rot, then our payment for loss of Business Income and Extra Expense is limited to the actual amount

- of such loss and expense sustained during a period of not more than 30 days unless another number of days is shown in the Declarations. The days need not be consecutive.
- (3) If a covered "suspension" of "operations" is caused by a cause of loss at the described premises other than "fungus", wet rot or dry rot, but remediation of resulting loss by "fungus", wet rot or dry rot prolongs the "period of restoration", we will pay for the actual loss of Business Income and the actual Extra Expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to a period of not more than 30 days unless another number of days is shown in the Declarations. The days need not be consecutive.
- (4) The Fungus, Wet Rot or Dry Rot exclusion in Section C.1.c. of the Deluxe Property Coverage Form does not apply to the insurance specifically provided under this Additional Coverage.

## g. Green Building Alternatives – Increased Period of Restoration

If direct physical loss or damage by a Covered Cause of Loss occurs to a building at a described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur during the reasonable and necessary increase in the "period of restoration" that is incurred to:

- (1) Repair or replace the lost or damaged portions of the building using products or materials that:
  - (a) Are "green" alternatives to the products or materials of the lost or damaged property, in accordance with the documented standards of a "Green Authority"; and
  - (b) Are otherwise of comparable quality and function to the damaged property;

and

(2) Employ "green" methods or processes of construction, disposal or recycling in the course of repair and replacement of the lost or damaged

building, in accordance with the documented standards of a "Green Authority":

subject to a maximum of 30 additional days, unless another number of days is shown in the Declarations, from the date the "period of restoration" would otherwise have ended.

### h. Ordinance or Law – Increased Period of Restoration

- (1) If direct physical loss or damage by a Covered Cause of Loss occurs to property at the described premises, we will pay for the actual loss of Business Income you sustain and the actual Extra Expense you incur during the reasonable and necessary increase in the "period of restoration" caused by or resulting from the enforcement of any ordinance or law which:
  - (a) Regulates the construction or repair of any property;
  - **(b)** Requires the tearing down of parts of property not damaged by a Covered Cause of Loss; and
  - (c) Is in force at the time of loss.

However, this Additional Coverage applies only to the increased period required to repair or reconstruct the property to comply with the minimum standards of such ordinance or law.

- (2) This Additional Coverage does not apply to any loss caused by or resulting from:
  - (a) The enforcement of any ordinance or law which requires:
    - (i) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot; or
    - (ii) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollut-

ants", "fungus", wet rot or dry rot;

or

- **(b)** The enforcement of any ordinance or law which:
  - You were required to comply with before the loss, even if the building was undamaged; and
  - (ii) You failed to comply with.
- (3) The Ordinance or Law exclusion in Section C.1.h. of the Deluxe Property Coverage Form does not apply to the insurance specifically provided under this Additional Coverage.
- (4) The most we will pay for loss and expense in any one occurrence under this Additional Coverage is \$250,000.

#### 5. Coverage Extensions

Each of the following Coverage Extensions applies subject to the Limit of Insurance stated in this Coverage Form, unless a different Limit of Insurance or *Not Covered* is indicated in the Declarations, or the coverage is otherwise amended by endorsement:

#### a. Claim Data Expense

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable expenses you incur in the preparation of claim data when we require it to adjust a covered loss. This includes the cost of preparing income statements and other documentation to show the extent of loss.
- (2) We will not pay for:
  - (a) Any expenses incurred, directed or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries;
  - **(b)** Any costs as provided in the Appraisal Loss Condition; or
  - (c) Any expenses incurred, directed or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.
- (3) The most we will pay in any one occurrence under this Extension is \$25,000.

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Page 5 of 13

#### b. Ingress or Egress

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
  - (b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur when ingress to or egress from the described premises is prevented (other than as provided in the Civil Authority Additional Coverage).

- (2) The prevention of ingress to or egress from the described premises must be caused by direct physical loss or damage by a Covered Cause of Loss to property that is away from, but within 1 mile of the described premises, unless a different number of miles is shown in the Declarations. This coverage will apply for up to 30 consecutive days from the date when the ingress or egress is first prevented.
- (3) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$25,000.

#### c. Newly Acquired Locations

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
  - (b) The actual Extra Expense you incur during the "period of restoration":

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur caused by direct physical loss or damage by a Covered Cause of Loss to property (including property under construc-

- tion) at any location you newly acquire by purchase, lease or otherwise, other than at "exhibitions".
- (2) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$500,000 at each newly acquired location.
- (3) With respect only to the insurance provided under this Extension, the phrase, at the described premises, as used in the definition of "period of restoration" is deleted and replaced by the phrase at a newly acquired location.
- (4) Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
  - (a) This policy expires;
  - (b) 180 days expire after you acquire or begin to construct the property;
  - (c) You report the location to us; or
  - (d) Coverage for Business Income and Extra Expense at the location is more specifically insured.

We will charge you additional premium for values reported from the date you acquire the property.

#### d. Pollutant Cleanup and Removal

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration": and
  - (b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur during the increased period of time necessarily required to extract "pollutants" from land or water at the described premises.

(2) The insurance provided under this Extension applies only if the discharge, dispersal, seepage, migration, release or escape of the "pollut-

ants" into the land or water is caused by or results from direct physical loss or damage by any of the "specified causes of loss" which occurs:

- (a) To property at the described premises that is Covered Property under the Deluxe Property Coverage Form of this policy; and
- (b) During the Policy Period.
- (3) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred arising out of all "specified causes of loss" that occur during each separate 12 month period of this policy (beginning with the effective date of this policy), is \$25,000.

#### e. Transit Business Income

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
  - (b) The actual Extra Expense you incur during the "period of restoration";

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur caused by direct physical loss or damage by a Covered Cause of Loss to property while in the due course of transit at your risk within the Coverage Territory.

- (2) This Extension does not apply to loss caused by or resulting from loss of or damage to:
  - (a) Shipments by a government postal service, except by registered mail:
  - (b) Export and import shipments while covered under an ocean marine cargo or other insurance policy;
  - (c) Property while waterborne except while in transit by inland water carriers or by coastwise vessels operating within "territorial waters":

- (d) Property of others for which you are responsible while acting as a common or contract carrier, carloader, freight forwarder, freight consolidator, freight broker, shipping association or similar arranger of transportation, or as a public warehouseman;
- (e) Property within a conveyance or container caused by theft while the conveyance or container is unattended unless the portion of the conveyance or container containing the property is fully enclosed and securely locked, and the theft is by forcible entry of which there is visible evidence; or
- **(f)** The transporting conveyance.
- (3) With respect only to the insurance provided under this Extension, the phrase, at the described premises, as used in the definition of "period of restoration" is deleted and replaced by the phrase in the due course of transit.
- (4) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$25,000.

#### f. Undescribed Premises

- (1) You may extend the insurance provided by this Coverage Form for:
  - (a) The actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration"; and
  - (b) The actual Extra Expense you incur during the "period of restoration":

to apply to the actual amount of such loss of Business Income and Extra Expense that you incur caused by direct physical loss or damage by a Covered Cause of Loss to property at Undescribed Premises, as defined in **(2)** below.

- **(2)** Undescribed Premises, as used in this Extension, means premises:
  - (a) Owned, leased or operated by you; or

- (b) Not owned, leased or operated by you, where your business personal property or business personal property of others in your care custody or control is located;
- that are within the Coverage Territory and not described in the Declarations nor reported to or accepted by us for coverage under this Coverage Form.
- (3) This Extension does not apply to loss caused by or resulting from loss or damage to property:
  - (a) At the premises of a "dependent property";
  - (b) At any location to which the Newly Acquired Locations Coverage Extension applies; or
  - (c) In the due course of transit.
- (4) The most we will pay under this Extension for the sum of Business Income loss and Extra Expense incurred in any one occurrence is \$25,000.
- (5) With respect only to the insurance provided under this Extension, the phrase at the described premises, as used in the definition of "period of restoration", is replaced by the phrase at Undescribed Premises.

#### **B. EXCLUSIONS AND LIMITATION**

The following exclusions and limitation apply in addition to the exclusions and limitations contained in the Deluxe Property Coverage Form.

#### 1. Exclusions

We will not pay for:

- **a.** Any loss caused by or resulting from:
  - (1) Damage or destruction of "finished stock"; or
  - (2) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense or to the insurance provided under the Contract Penalty Additional Coverage.

- **b.** Any loss caused by or resulting from direct physical loss of or damage to the following property:
  - (1) Harvested grain, hay, straw or other crops while outside of buildings;

- (2) Outdoor trees, shrubs, plants, lawns (including fairways, greens and tees), artificial turf and associated underlayment, growing crops, land or water;
- (3) Communication, radio or television antennas (including satellite dishes), and their lead-in wiring, masts or towers;
- (4) Animals, unless the loss is caused by or results from a "specified cause of loss", and then only if, as a direct result of the "specified cause of loss", the animals are killed or their death or destruction is made necessary; or
- (5) Human body parts and fluids, including organs, tissues, blood and cells.
- **c.** Any increase of loss caused by or resulting from:
  - (1) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
  - (2) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage or any variation thereof.
- d. Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- e. Any other consequential loss including fines and penalties, except as specifically provided under the Contract Penalties Additional Coverage.

#### 2. Limitation - Electronic Media and Records

- **a.** We will not pay for any loss of Business Income caused by direct physical loss of or damage to electronic media and records after the longer of:
  - (1) 60 consecutive days from the date of direct physical loss or damage; or

(2) The period, beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described premises (or other location of the loss to which this insurance applies) which suffered loss or damage in the same occurrence.

This Limitation does not apply to Extra Expense.

- **b.** Electronic Media and Records are:
  - (1) Electronic data processing, recording or storage media such as hard or floppy disks, CDs, DVDs, flash memory, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment;
  - (2) Data stored on such media; or
  - (3) Programming records used for electronic data processing or electronically controlled equipment.

#### **EXAMPLE NO. 1**

A Covered Cause of Loss damages a computer on June 1. It takes until September 1 to replace the computer, and until October 1 to restore the computer data that was lost when the damage occurred. We will only pay for the Business Income loss sustained during the period June 1 - September 1. Loss during the period September 2 - October 1 is not covered.

#### **EXAMPLE NO. 2**

A Covered Cause of Loss results in the loss of data processing programming records on August 1. The records are replaced on October 15. We will only pay for the Business Income loss sustained during the period August 1 - September 29 (60 consecutive days). Loss during the period September 30 - October 15 is not covered.

#### C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations, Schedules, Coverage Form(s), or Endorsement(s).

Payments under:

1. The following Additional Coverages:

- a. Alterations and New Buildings;
- **b.** Civil Authority;
- c. Extended Business Income:
- **d.** Fungus, Wet Rot or Dry Rot Amended Period of Restoration;
- e. Green Building Alternatives Increased Period of Restoration:

and

2. The Ingress or Egress Coverage Extension;

are included in and do not increase the applicable Limits of Insurance.

The remaining Additional Coverages in Section A.4. and the remaining Coverage Extensions in Section A.5. are additional insurance.

#### D. DEDUCTIBLE

- 1. An hour deductible applies to your Business Income coverage. We will not pay for loss of Business Income in any one occurrence that is incurred during the period of time that:
  - **a.** Begins at the time of direct physical loss or damage that triggers the Business Income coverage; and
  - **b.** Continues for the consecutive number of hours shown in the Declarations as the applicable Business Income hour deductible.
- 2. The Business Income hour deductible described in 1. above does not:
  - a. Apply to or alter the coverage period that applies to the Business Income coverage provided under the Civil Authority Additional Coverage; or
  - b. Apply to the Contract Penalties Additional Coverage.
- **3.** If a separate dollar deductible applies to other loss or damage in that same occurrence under this Coverage Part, such dollar deductible will apply to that other loss or damage and only the hourly deductible will apply to your loss of Business Income.
- 4. No deductible applies to Extra Expense.

#### E. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions - Deluxe, the Loss Condition - Duties in the Event of Loss in the Deluxe Property Coverage Form and the Additional Conditions in the Deluxe Property Coverage Form:

#### 1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- **b.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

## Duties in the Event of Loss – Additional Duty

The following duty applies in addition to the duties specified in the Loss Condition – Duties in the Event of Loss in the Deluxe Property Coverage Form:

If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

#### 3. Loss Determination

- **a.** The amount of Business Income loss will be determined based on:
  - The Net Income of the business before the direct physical loss or damage occurred;
  - (2) The likely Net Income of the business if no physical loss or damage occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business as a result of favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses:
  - (3) The operating expenses, including payroll expenses necessary to resume "operations" with the same quality of service that existed just be-

fore the direct physical loss or damage; and

- **(4)** Other relevant sources of information, including:
  - (a) Your financial records and accounting procedures;
  - **(b)** Bills, invoices and other vouchers; and
  - (c) Deeds, liens or contracts.
- b. The amount of Extra Expense will be determined based on:
  - (1) All reasonable and necessary expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period or restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
    - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
    - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
  - (2) All reasonable and necessary expenses that reduce the Extra Expense loss that otherwise would have been incurred.

#### c. Resumption of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations" in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at the described premises or elsewhere and, with respect to the Business Income From Dependent Property Additional Coverage, by using any other available source of materials or outlet for your products.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

#### 4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if:

- **a.** You have complied with all of the terms of this Coverage Part; and
- **b.** (1) We have reached agreement with you on the amount of loss; or
  - (2) An appraisal award has been made.

#### F. OPTIONAL COVERAGES

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

#### 1. Maximum Period of Indemnity

The most we will pay for the total loss of Business Income, including the Extended Business Income Additional Coverage, and Extra Expense is the lesser of:

- a. The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
- **b.** The Limit of Insurance shown in the Declarations.

#### 2. Monthly Limit of Indemnity

The most we will pay for loss of Business Income, including the Extended Business Income Additional Coverage, in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- a. The Limit of Insurance, multiplied by
- **b.** The fraction shown in the Declarations for this Optional Coverage.

#### **EXAMPLE:**

When: The Limit of Insurance is: \$120,000

The fraction shown in the Declarations for this Optional Coverage is:

The most we will pay for loss in each period of 30 consecutive days is:

 $120,000 \times 1/4 = 30,000$ 

If in this example, the actual amount of loss is:

Days 1 – 30	\$40,000	
Days 31 - 60	\$20,000	
Days 61 – 90	\$30,000	
	\$90,000	
We will pay:		
Days 1 – 30	\$30,000	
Days 31 – 60	\$20,000	
Days 61 – 90	<u>\$30,000</u>	
	\$80.000	

The remaining \$10,000 is not covered.

#### 3. Ordinary Payroll Exclusion or Limitation

- a. When the Declarations shows:
  - Ordinary Payroll is excluded, the Business Income coverage provided for continuing normal operating expenses incurred does not include Ordinary Payroll;
  - (2) Ordinary payroll is limited to a specified number of days, the Business Income coverage provided for continuing normal operating expenses incurred only includes Ordinary Payroll for the specified number of days. The number of days may be used in two separate periods during the "period of restoration".
- **b.** Ordinary payroll expenses mean payroll expenses for all your employees except:
  - (1) Officers;
  - (2) Executives;
  - (3) Department managers;
  - (4) Employees under contract; and
  - (5) Additional Exemptions, shown by endorsement as:
    - (a) Job Classifications; or
    - (b) Employees.
- **c.** Ordinary payroll expenses include:
  - (1) Payroll;
  - (2) Employee benefits, if directly related to payroll;
  - (3) FICA payments you pay;
  - (4) Union dues you pay; and
  - (5) Worker's compensation premiums.

#### G. DEFINITIONS

- "Dependent Property" means property operated by others you directly depend on to:
  - a. Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers the following services is not a Contributing Location with respect to such services:
    - (1) Water supply services;
    - (2) Power supply services; or
    - (3) Communication services, including services relating to internet access or access to any electronic, cellular or satellite network.
  - **b.** Accept your products or services (Recipient Locations);
  - c. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
  - **d.** Attract customers to your business (Leader Locations).
- "Finished Stock" means "stock" you have manufactured.

"Finished Stock" also includes whiskey and alcoholic products being aged.

"Finished Stock" does not include "stock" you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

#### 3. "Operations" means:

- a. Your business activities occurring at the described premises even if such activities would not have produced income during the "period of restoration", such as research and development activities; and
- b. The tenantability of the described premises, if coverage for Business Income including "Rental Value" or "Rental Value" only applies.

#### 4. "Period of Restoration"

- **a.** "Period of Restoration" means the period of time that:
  - (1) (a) For Business Income coverage, begins once the number of hours of the applicable Business Income hour deductible, if any, expires following the time of direct physical loss or damage; and

(b) For Extra Expense coverage begins immediately after the time of direct physical loss or damage;

caused by or resulting from a Covered Cause of Loss at the described premises; and

- (2) Ends on the earlier of:
  - (a) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
  - (b) The date when business is resumed at a new permanent location.
- **b.** "Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:
  - (1) Regulates the construction, use or repair, or requires the tearing down, of any property, except as provided in the Ordinance or Law-Increased Period of Restoration Additional Coverage; or
  - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "fungus", wet rot or dry rot, except as provided in the Fungus, Wet Rot or Dry Rot Amended Period of Restoration Additional Coverage; or
  - (3) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants" except as provided in the Pollutant Clean Up and Removal Coverage Extension.
- c. "Period of restoration" does not include any increased period required to attain a pre-loss level of "green" building certification from a "Green Authority". But this does not apply to any increase in the "period of restoration" otherwise insured under the Green Buildings Alternatives – Increased Period of Restoration Additional Coverage.

The expiration date of this policy will not cut short the "period of restoration".

- **5.** "Rental Value" means Business Income that consists of:
  - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of such described premises which is occupied by you; and
  - **b.** Continuing normal operating expenses incurred in connection with such premises, including:

- (1) Payroll; and
- (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.

#### **6. "Suspension**" means:

- **a.** The partial or complete cessation of your business activities; or
- **b.** That a part or all of the described premises is rendered untenantable, if coverage for Business Income including "Rental Value" or "Rental Value" only applies.

DELUXE PROPERTY
GENERAL PURPOSE ENDORSEMENT

POLICY NUMBER: Y-630-9N857616-COF-19

REPLACED BY MANUAL EPW- CP T9 62 07 11 - Loss Payable Provisions - Washington

CP T9 62 07 11 - Loss Payable Provisions - Washington (Please follow procedures as follows: This form is not a Deluxe form and is not a form pick. To issue the policy with a Loss Payable Provision, service needs to manually upload in Upbeat the form CP T9 62 to provide the coverage and this form WILL NOT appear on the forms list of the policy, it will only be in the policy paper.) Please ask your supervisor or manager for guidance in issuing this form.

Applies only to: Premises Number 01, Building Number 01

Provisions Applicable: B Loss Payable Clause
Description of Property: Leased/Rented Equipment

Loss Payable Name: Pape Rents, 3500 US 97 Alternate, Wenatchee, WA 98001

Provisions Applicable: B Loss Payable Clause Description of Property: Stored Materials

Loss Payable Name: BN Builders Inc., 2601 4th Ave., Suite #350, Seattle, WA

98121

DX T8 01 Page 1

POLICY NUMBER: Y-630-9N857616-COF-19 ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

### CAUSES OF LOSS – EQUIPMENT BREAKDOWN

This endorsement modifies insurance provided under the Deluxe Property Coverage Part.

## A. ADDITIONAL COVERED CAUSE OF LOSS – EQUIPMENT BREAKDOWN

Covered Causes of Loss and "specified causes of loss" are extended to include Equipment Breakdown, meaning a Breakdown to Covered Equipment as defined and limited in this endorsement.

#### 1. Breakdown

- a. Breakdown means:
  - (1) Failure of pressure or vacuum equipment;
  - (2) Mechanical failure, including rupture or bursting caused by centrifugal force: or
  - (3) Electrical failure, including arcing;

that causes physical damage to Covered Equipment and necessitates its repair or replacement.

- **b.** Breakdown does not mean or include:
  - (1) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
  - (2) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
  - (3) Damage to any vacuum tube, gas tube, or brush;
  - (4) Damage to any structure or foundation supporting the Covered Equipment or any of its parts;
  - (5) The functioning of any safety or protective device; or
  - **(6)** The cracking of any part on an internal combustion gas turbine exposed to the products of combustion.
- c. If an initial Equipment Breakdown causes other Equipment Breakdowns, all will be considered one Equipment Breakdown. All Equipment Breakdowns that manifest themselves at the same time and are the

direct result of the same cause will also be considered one Equipment Breakdown.

#### 2. Covered Equipment

- a. Covered Equipment means equipment of a type listed in provision 2.b. below that is:
  - (1) At any of the following locations:
    - (a) At or within 1,000 feet of the described premises; or
    - (b) At any of the following locations, but only to the extent that coverage for direct physical loss or damage to Covered Property at such locations or for Business Income and/or Extra Expense resulting from direct physical loss or damage to property at such locations is otherwise specifically insured and limited under this Coverage Part:
      - (i) Newly acquired or constructed property locations, or within 1,000 feet of such locations:
      - (ii) Undescribed premises; or
      - (iii) "Dependent property" locations:

and

- (2) (a) Owned or leased by you or operated under your control; or
  - (b) Owned or leased by, or operated under the control of others who own, lease or operate the undescribed premises or "dependent property" locations where the insurance provided under this Coverage Part applies:

and

DX T3 19 11 12

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Page 1 of 6

- (3) Not otherwise excluded under provision **2.c.** below.
- b. Covered Equipment includes the following types of equipment:
  - Equipment designed and built to operate under internal pressure or vacuum other than weight of contents;
  - (2) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy; and
  - (3) Fiber optic cable.
- c. Covered Equipment does not mean or include any:
  - Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
  - (2) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum:
  - (3) Insulating or refractory material;
  - (4) Non-metallic pressure or vacuum equipment, unless it is constructed and used in accordance with the American Society of Mechanical Engineers (A.S.M.E.) code or a Code that has been accepted by the National Board of Boiler and Pressure Vessel Inspectors;
  - (5) Catalyst;
  - (6) Pressure vessels and piping that are buried below ground and require the excavation of materials to inspect, remove, repair or replace;
  - (7) Structure, foundation, cabinet or compartment supporting or containing the Covered Equipment or part of the Covered Equipment including penstock, draft tube or well casing;
  - (8) Vehicle, aircraft, self-propelled equipment or floating vessel, including any equipment mounted on or used solely with any vehicle, aircraft, self-propelled equipment or floating vessel;
  - (9) Dragline, power shovel, excavation or construction equipment including any equipment mounted on or used solely with any dragline, power shovel, excavation or construction equipment;

- (10) Felt, wire, screen, mold, form, pattern, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
- (11) Astronomical telescope, cyclotron, nuclear reactor, particle accelerator, satellites and/or spacecraft (including satellite or spacecraft contents and/or their launch sites);
- (12) Computer equipment or electronic data processing equipment unless used to control or operate production-type machinery or other equipment that is Covered Equipment;
- (13) Equipment or any part of such equipment manufactured by you for sale; or
- (14) Equipment while in the due course of transit.

## B. EQUIPMENT BREAKDOWN COVERAGE EXTENSIONS

#### 1. Spoilage

- a. Under the Deluxe Property Coverage Form, the insurance that applies to Your Business Personal Property and Personal Property of Others is extended to apply to direct physical loss or damage to such Covered Property that is:
  - (1) Maintained under controlled conditions for its preservation; and
  - (2) Susceptible to loss or damage if the controlled conditions change;

due to spoilage resulting from lack or excess of power, light, heat, steam or refrigeration that is caused solely by a Breakdown to Covered Equipment.

Insurance under this Coverage Extension includes the reasonable expense you incur to reduce or avert the spoilage loss or damage, but only to the extent the amount of loss otherwise payable under this Coverage Extension is reduced.

b. The most we will pay for loss or damage under this Coverage Extension arising out of any one Equipment Breakdown is the Spoilage Limit of Insurance shown in the Schedule of this endorsement. This limit is part of and not in addition to the Limit of

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DX T3 19 11 12

- Insurance that applies to the lost or damaged Covered Property.
- c. We will not pay for any loss or damage under this Coverage Extension that results from your failure to use due diligence and dispatch and all reasonable means to protect the property from spoilage damage following a Breakdown to Covered Equipment.

### 2. Utility Services Property

- a. Subject to provision 2.b. below, Covered Equipment is extended to include equipment, wherever located within the Coverage Territory, that is:
  - (1) Owned, operated or controlled by a local public or private utility or distributor that directly generates, transmits, distributes or provides utility services to the described premises; and
  - (2) Used to supply water, communication or power services to the described premises.
- **b.** This Coverage Extension applies:
  - (1) Only with respect to; and
  - (2) Subject to the Limit(s) of Insurance that apply to;

the insurance, if any, otherwise provided under this Coverage Part for loss or damage caused by an interruption of power or other utility service supplied to the described premises caused by or resulting from a Covered Cause of Loss to the utility services equipment described in **2.a.** above.

#### C. EQUIPMENT BREAKDOWN EXCLUSIONS

All of the Exclusions that apply to this Coverage Part apply to loss or damage under this endorsement, except as follows:

- Under the Exclusions contained in Section C.
   of the Deluxe Property Coverage Form, the
   following Exclusions do not apply:
  - **a.** Exclusion **C.2.d.** Electrical Damage or Disturbance;
  - **b.** Exclusion **C.2.i.(6)** mechanical breakdown under the Other Type of Losses Exclusion; and
  - c. Exclusion C.2.e. Explosion.

- **2.** The following additional Exclusions apply to the insurance provided by this endorsement:
  - We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.
  - **a.** Lack or excess of power, light, heat, steam or refrigeration. But this Exclusion does not apply to:
    - (1) Business Income coverage or Extra Expense coverage: or
    - (2) The Spoilage Coverage Extension or Utility Services Property Coverage Extension;
  - **b.** Hydrostatic, pneumatic or gas pressure testing of any boiler, fired vessel or electrical steam generator; or
  - **c.** Insulation breakdown testing of any type of electrical or electronic equipment.

#### D. EQUIPMENT BREAKDOWN LIMITATIONS

All of the Limitations that apply to this Coverage Part apply to loss or damage under this endorsement, except as follows:

- 1. Under the Limitations contained in Section **D.** of the Deluxe Property Coverage Form, Limitations **1.a.** and **1.b.** do not apply.
- **2.** The following additional Limitations apply to the insurance provided by this endorsement. These Limitations are included in, and do not increase the applicable Limit(s) of Insurance.

#### a. Ammonia Contamination Limitation

The most we will pay for loss or damage to property caused by ammonia contamination that directly results from a Breakdown to Covered Equipment is the Ammonia Contamination Limit of Insurance shown in the Schedule of this endorsement

This limitation does not apply to Business Income coverage or to Extra Expense coverage.

#### b. Hazardous Substance Limitation

If as a direct result of a Breakdown to Covered Equipment, property is damaged, contaminated or polluted by a substance, other than ammonia, that is declared to be hazardous to health by a governmental agency, the Hazardous Substance Limit of Insurance shown in

DX T3 19 11 12

the Schedule of this endorsement is the most we will pay for:

- (1) Any additional expenses you incur to clean up, repair, replace or dispose of any such property that is Covered Property under this Coverage Part; and
- (2) Any increase in loss of Business Income or Extra Expense due to the additional time required to clean up, repair, replace or dispose of the property, provided Business Income or Extra Expense loss resulting from damage to such property is otherwise insured against under this Coverage Part. Subject to the Hazardous Substance Limit of Insurance, the term "period of restoration", as used in the Business Income and/or Extra Expense insurance provided under this Coverage Part is extended to include this additional period of time.

As used in this Limitation, additional expenses and increase in loss mean expenses and loss incurred beyond the expenses and loss for which we would have been liable had no substance declared to be hazardous to health by a governmental agency been involved.

#### E. EQUIPMENT BREAKDOWN LIMITS OF IN-SURANCE

- 1. The insurance provided under this endorsement for loss or damage caused by or resulting from Equipment Breakdown is included in, and does not increase the Covered Property, Business Income, Extra Expense and other coverage Limits of Insurance that otherwise apply under this Coverage Part.
- 2. Payments under the Equipment Breakdown Coverage Extensions will not increase the applicable Limit(s) of Insurance.

#### F. EQUIPMENT BREAKDOWN DEDUCTIBLE

- 1. Unless otherwise indicated in the Schedule of this endorsement, the insurance provided under this endorsement for loss or damage caused by or resulting from Equipment Breakdown is subject to the deductibles that otherwise apply under this Coverage Part.
- When one or more separate deductibles are indicated in the Schedule of this endorsement, each such deductible shall be applied separately to the applicable coverage for which the deductible is indicated, as follows:

#### a. Dollar Deductible

If a dollar deductible is shown in the Schedule, we will not pay for loss or damage until the amount of loss or damage to which the deductible applies exceeds the applicable dollar deductible. We will then pay the amount of loss or damage in excess of the dollar deductible, up to the applicable Limit of Insurance.

#### b. Time Period Deductible

If a time period deductible is shown in the Schedule, we will not pay for any loss to which the deductible applies that occurs during the specified time period immediately following a Breakdown to Covered Equipment.

#### c. Average Daily Value Deductible

If an average daily value deductible is shown in the Schedule, this deductible will be calculated as follows:

- (1) For all of the described premises where you incur Business Income or Extra Expense loss due to a Breakdown to Covered Equipment, determine the total amount of Business Income that would have been earned or incurred by you during the "period of restoration" had no Breakdown to Covered Equipment occurred.
- (2) Divide the amount determined in paragraph (1) by the number of days the business would have been open during the "period of restoration". The result is the average daily value.
- (3) Multiply the average daily value in paragraph (2) by the Multiple of Average Daily Value shown in the Schedule. We will first subtract this deductible amount from any loss we would otherwise pay. We will then pay the amount of loss or damage in excess of the deductible, up to the applicable Limit of Insurance.

#### d. Percentage of Loss Deductible

If a deductible is expressed as a percentage of loss in the Schedule, we will not be liable for the indicated percentage of the gross amount of loss or damage insured under the applicable coverage.

DX T3 19 11 12

## G. EQUIPMENT BREAKDOWN ADDITIONAL CONDITION

The following Additional Condition applies to the insurance provided under this endorsement:

#### Suspension

If any Covered Equipment is found to be in, or exposed to a dangerous condition, any of our representatives may immediately suspend the insurance provided by this endorsement for loss or damage caused by or resulting from a Breakdown to that Covered Equipment. This can be done by delivering or mailing a notice of suspension to:

- 1. Your last known address; or
- **2.** The address where the Covered Equipment is located.

Once suspended in this way, such insurance can only be reinstated by a written endorsement issued by us. If we suspend your insurance, you will get a pro rata refund of premium for that Covered Equipment. But the suspension will be effective even if we have not yet made or offered a refund.

#### **EQUIPMENT BREAKDOWN SCHEDULE**

#### **Limits of Insurance:**

Spoilage: \$25,000 unless a higher amount is shown: \$
 Ammonia Contamination: \$25,000 unless a higher amount is shown: \$
 Hazardous Substance: \$25,000 unless a higher amount is shown: \$

**Deductible Exceptions:** Deluxe Property Coverage Part Deductibles apply to loss or damage under this endorsement, except as follows:

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#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses under this Coverage Part is included in the Coverage Part premium. The charge for such Insured Losses that has been included for this Coverage Part is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

- 7% of your total Deluxe Property Coverage Part premium if your primary location is in a Designated City (as listed below).
- 3% of your total Deluxe Property Coverage Part premium if your primary location is not in a Designated City (as listed below).

#### **DELUXE PROPERTY**

### **Designated Cities are:**

Albuquerque, NM	El Paso, TX	Miami, FL	San Diego, CA
Atlanta, GA	Fort Worth, TX	Milwaukee, WI	San Antonio, TX
Austin, TX	Fresno, CA	Minneapolis, MN	San Francisco, CA
Baltimore, MD	Honolulu, HI	Nashville-Davidson, TN	San Jose, CA
Boston, MA	Houston, TX	New Orleans, LA	Seattle, WA
Charlotte, NC	Indianapolis, IN	New York, NY	St. Louis, MO
Chicago, IL	Jacksonville, FL	Oakland, CA	Tucson, AZ
Cleveland, OH	Kansas City, MO	Oklahoma City, OK	Tulsa, OK
Colorado Springs, CO	Las Vegas, NV	Omaha, NE	Virginia Beach, VA
Columbus, OH	Long Beach, CA	Philadelphia, PA	Washington, DC
Dallas, TX	Los Angeles, CA	Phoenix, AZ	Wichita, KS
Denver, CO	Memphis, TN	Portland, OR	
Detroit, MI	Mesa, AZ	Sacramento, CA	

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### **WASHINGTON CHANGES**

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

**A.** The following is added:

Vehicles

The word "vehicles" as used in this Coverage Part means vehicles running on land or tracks, but not aircraft.

- **B.** In the LOSS CONDITIONS Appraisal, the following statement does not apply: If there is an appraisal, we will still retain our right to deny a claim.
- C. LOSS CONDITIONS Duties In The Event Of Loss Or Damage

The duty to notify the police if a law may have been broken does not apply.

- **D.** Subparagraph **d.** of the LOSS CONDITIONS Valuation in the Deluxe Property Coverage Form is replaced by the following:
  - **d.** We will determine the value of Tenant's Improvements and Betterments in the event of loss or damage at:
    - (1) Actual cash value of the lost or damaged property if you make repairs within a reasonable time after loss.
    - (2) A proportion of your original cost if you do not make repairs within a reasonable time after loss. We will determine the proportionate value as follows:
      - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
      - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

(3) Nothing if others pay for repairs or replacement.

- **E.** The ADDITIONAL CONDITIONS Mortgage-Holders is replaced by the following:
  - Insurance Commissioner's Regulation No. 335/WAC-284-21-010 requires that **CP T3 72**, Form 372 (Ed. 11-50) or **CP T4 38**, Form 438 BFU (Ed. 5-42) be endorsed on this policy to replace the ADDITIONAL CONDITIONS Mortgageholders.
- **F.** Paragraph **G.6.a.(3)** of the Valuation Loss Condition is replaced by the following:
  - (3) We will not pay more for loss or damage on a replacement cost basis than the least of (a),(b) or (c), subject to (4) below:
    - (a) The Limit of Insurance applicable to the lost or damaged property;
    - (b) The amount it would cost to replace the damaged item at the time of the loss with new property of similar kind and quality to be used for the same purpose on the same site; or
    - **(c)** The amount you actually spent in repairing the damage, or replacing the damaged property with new property of similar kind and quality.

If a building is rebuilt at a different premises, the cost described in **(b)** above is limited to the cost which would have been incurred had the building been built at the original premises.

**G.** Under the Earth Movement Exclusion, the provisions pertaining to volcanic action are deleted and replaced by the following:

#### **Volcanic Action**

- Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:
  - Volcanic blast or airborne shock waves; or
  - **b.** Ash, dust or particulate matter.

DX 01 26 12 18

# **DELUXE PROPERTY**

This endorsement does not provide coverage for damage to:

- **(1)** Land;
- (2) Property in the open or in open sheds; or
- (3) Portions of buildings not completely enclosed, or personal property contained within those buildings.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

- 2. Removal. Direct loss includes the cost to:
  - **a.** Remove the ash, dust or particulate matter from the interior and exterior surfaces of the covered building; and
  - **b.** Clean equipment and "stock". If "stock" cannot be returned to its state before the volcanic eruption, the measure of loss will be the reduction in actual cash value.

Payment for removal applies only to the initial deposit of ash, dust or particulate matter following a volcanic eruption. Subsequent deposits arising from the movement of volcanic dust or ash by wind or other means are not covered.

The following provision applies only to:

- (1) Deluxe Business Income Coverage Form (and Extra Expense);
- (2) Deluxe Business Income Coverage Form (without Extra Expense); and
- (3) Deluxe Extra Expense Coverage Form:

The "period of restoration" arising from the need for removal is the time necessary to remove the matter described with reasonable speed from the Covered Property.

- **3.** Volcanic Action does not include loss caused by, resulting from, contributed to or aggravated by:
  - a. Fire;
  - b. Explosion;
  - c. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or
  - **d.** Earth movement, including but not limited to earthquake, volcanic eruption,

landslide, mine subsidence, lava flow, mud flow, earth sinking, earth rising or shifting.

- **H.** Exclusion **2.i.** of the Deluxe Property Coverage Form is replaced by the following:
  - i. (1) Wear and tear;
    - (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
    - (3) Smog;
    - (4) Settling, cracking, shrinking, bulging or expansion;
    - (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
    - (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

This Exclusion does not apply to loss or damage to "electronic data processing equipment" or "electronic data processing data or media".

- **(7)** The following causes of loss to personal property:
  - (a) Dampness or dryness of atmosphere;
  - **(b)** Changes in or extremes of temperature; or
  - (c) Marring or scratching.

But if an excluded cause of loss that is listed in Paragraphs (1) through (7) above results in any of the "specified causes of loss", building glass breakage or collapse, as provided in the Collapse Additional Coverage we will pay for loss or damage caused by such "specified causes of loss", building glass breakage or collapse.

Also if an excluded cause of loss listed in Paragraphs (1) through (5) or (7) above results in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that mechanical breakdown of "electronic data processing equipment".

**DELUXE PROPERTY** 

**I.** Exclusion **2.c.** of the Deluxe Property Coverage Form is replaced by the following:

Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or
- (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- (1) Acts of destruction of Covered Property by your employees (including leased employees), but theft of employees is not covered; and
- (2) Loss to Covered Property if the loss or damage is caused by an act of domestic abuse by another insured covered under this policy.

This exclusion does not apply to carriers for hire.

J. The following is added to ADDITIONAL CONDITIONS – Concealment, Misrepresentation or Fraud:

This Additional Condition does not apply to loss or damage to Covered Property caused by an act of domestic abuse by another insured covered under this policy.

# K. Legal Action Against Us

- **1.** Paragraph **2.** does not apply to the Legal Liability Coverage form.
- 2. The Legal Action Against Us Condition in the Deluxe Property Coverage Part is replaced by the following:

#### **LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

- There has been full compliance with all of the terms of this Coverage Part; and
- **b.** The action is brought within two years after the date on which the direct physical loss or damage occurred.

If this action is brought pursuant to Sec. 3 of RCW 48.30 then 20 days prior to filing such an action, you are required to provide written notice of the basis for the cause of action to us and the Office of the Insurance Commission. Such notice may be sent by regular mail, registered mail, or certified mail with return receipt requested.

**L.** The following provision is added to Section **A.** Coverage under the Legal Liability Coverage Endorsement:

If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that none of the claims ("claims"), for which we provided a defense or defense costs, are covered under this insurance, we have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement under this provision will only apply to the costs we have incurred after we notify you in writing that there may not be coverage and that we are reserving our rights to terminate the defense or the payment of defense costs and to seek reimbursement for defense costs.

# THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# **WASHINGTON CHANGES – DOMESTIC ABUSE**

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

- **A.** The **Intentional Loss** Exclusion is replaced by the following:
  - 1. We will not pay for loss or damage arising out of any act committed or conspired to be committed by or at the direction of an insured with the intent to cause a loss.
    - In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.
  - 2. This exclusion, however, will not apply to deny an insured's claim for an otherwise covered property loss if such loss is caused by an act of "domestic abuse" by another insured under the policy, and the insured making claim:
    - a. Files a police report and cooperates with any law enforcement investigation relating to the act of "domestic abuse"; and
    - **b.** Did not cooperate in or contribute to the creation of the loss.
  - 3. If we pay a claim pursuant to Paragraph 2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgageholder or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.
- **B.** The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:

#### Concealment, Misrepresentation Or Fraud

- 1. This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other insured, at any time, intentionally conceals or misrepresents a material fact concerning:
  - a. This insurance:
  - **b.** The Covered Property;
  - c. Your interest in the Covered Property; or
  - d. A claim under this insurance.

- 2. This condition, however, will not apply to deny an insured's claim for an otherwise covered property loss if such loss is caused by an act of "domestic abuse" by another insured under the policy, and the insured making claim:
  - **a.** Files a police report and cooperates with any law enforcement investigation relating to the act of "domestic abuse"; and
  - **b.** Did not cooperate in or contribute to the creation of the loss.
- 3. If we pay a claim pursuant to Paragraph 2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.
- C. The following is added to the Transfer Of Rights
  Of Recovery Against Others To Us Condition:

If we pay an insured, who is a victim of "domestic abuse", for a loss caused by an act of "domestic abuse", the rights of that insured to recover damages from the perpetrator of the abuse are transferred to us to the extent of our payment. That insured may not waive such rights to recover against the perpetrator of the "domestic abuse".

- D. As used in this endorsement, "domestic abuse" means:
  - Physical harm, bodily injury, assault or the infliction of fear of imminent physical harm, bodily injury or assault between family or household members:
  - **2.** Sexual assault of one family or household member by another;
  - **3.** Stalking, as defined in RCW 9A.46.110 of one family or household member by another family or household member; or
  - **4.** Intentionally, knowingly or recklessly causing damage to property so as to intimidate or attempt to control the behavior of another family or household member.

DX 03 18 11 11

POLICY NUMBER: Y-630-9N857616-COF-19 ISSUE DATE: 11-11-19

# THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# DELUXE PROPERTY COVERAGE PART AMENDATORY ENDORSEMENT

# **ELECTRONIC VANDALISM LIMITATION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART

When included in this policy, this endorsement also modifies insurance provided under the COMMERCIAL INLAND MARINE COVERAGE PART.

#### **SCHEDULE**

#### **Electronic Vandalism Limit of Insurance**,

aggregate in any 12-month period of this policy:

\$ 10,000 unless a higher limit is shown: \$

This endorsement limits the insurance provided under this policy for direct physical loss or damage caused by or resulting from "electronic vandalism" and for loss that is a consequence of such direct physical loss or damage.

# A. LIMITATION - ELECTRONIC VANDALISM

The following LIMITATION is added:

The most we will pay for all loss or damage caused directly or indirectly by or resulting from "electronic vandalism" in any one policy year, commencing with the inception date of this endorsement, is the Electronic Vandalism Limit of Insurance shown in the Schedule of this endorsement. This limit:

- Applies regardless of the number of locations, items or types of property or coverages or Coverage Forms involved; and
- **2.** Is part of, and does not increase the Limits of Insurance provided under this policy.

But if "electronic vandalism" results in a "specified cause of loss", other than vandalism, this limitation will not apply to the resulting loss or damage caused by that "specified cause of loss".

# B. ELECTRONIC VANDALISM MINIMUM DE-DUCTIBLE

The following deductible provision is added and applies to all coverages, including Extra Expense:

The DEDUCTIBLE provisions of this policy continue to apply. But in no event will the total of all applicable deductible amounts applied in any one occurrence of "electronic vandalism" be less than \$1,000.

# C. ELECTRONIC VANDALISM DEFINED

"Electronic Vandalism", as used in this endorsement means:

- Willful or malicious destruction of computer programs, content, instructions or other electronic or digital data stored within computer systems.
- 2. Unauthorized computer code or programming that:
  - a. Deletes, distorts, corrupts or manipulates computer programs, content, instructions or other electronic or digital data, or otherwise results in damage to computers or computer systems or networks to which it is introduced;
  - **b.** Replicates itself, impairing the performance of computers or computer systems or networks; or
  - c. Gains remote control access to data and programming within computers or computer systems or networks to which it is introduced, for uses other than those intended for authorized users of the computers or computer systems or networks.

**DX T3 98 04 02** Page 1 of 1

POLICY NUMBER: Y-630-9N857616-COF-19

COMMERCIAL PROPERTY ISSUE DATE: 11-11-19

# THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# LOSS PAYABLE PROVISIONS – WASHINGTON

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM BUILDERS' RISK COVERAGE FORM CONDOMINIUM ASSOCIATION COVERAGE FORM CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

#### **SCHEDULE**

Premises Number: 01 Building Number: 01 Provisions Applicable (Enter B., C. or D.): B

**Description Of Property: LEASED/RENTED EQUIPMENT** 

Loss Payee Name: PAPE RENTS

Loss Payee Address: 3500 US 97 ALTERNATE, WENATCHEE, WA 98001

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.

The following is added to the **Loss Payment** Loss Condition, as indicated in the Declarations or in the Schedule:

#### B. Loss Payable Clause

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

1. Adjust losses with you; and

2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

# C. Contract Of Sale Clause

- 1. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered a contract with for the sale of Covered Property.
- 2. For Covered Property in which both you and the Loss Payee have an insurable interest, we will:
  - a. Adjust losses with you; and
  - **b.** Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

CP T9 62 07 11

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Page 1 of 2

#### **COMMERCIAL PROPERTY**

**3.** The following is added to the **Other Insurance** Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

# D. Building Owner Loss Payable Clause

- 1. The Loss Payee shown in the Schedule or in the Declarations is the owner of the described building, in which you are a tenant.
- 2. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
- **3.** We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.

POLICY NUMBER: Y-630-9N857616-COF-19

COMMERCIAL PROPERTY ISSUE DATE: 11-11-19

# THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# LOSS PAYABLE PROVISIONS – WASHINGTON

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM BUILDERS' RISK COVERAGE FORM CONDOMINIUM ASSOCIATION COVERAGE FORM CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

#### **SCHEDULE**

Premises Number: 01 Building Number: 01 Provisions Applicable (Enter B., C. or D.): B

**Description Of Property: STORED MATERIALS** 

Loss Payee Name: BN BUILDERS INC.

Loss Payee Address: 2601 4TH AVE., SUITE #350, SEATTLE, WA 98121

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Nothing in this endorsement increases the applicable Limit of Insurance. We will not pay any Loss Payee more than their financial interest in the Covered Property, and we will not pay more than the applicable Limit of Insurance on the Covered Property.

The following is added to the **Loss Payment** Loss Condition, as indicated in the Declarations or in the Schedule:

#### B. Loss Payable Clause

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

1. Adjust losses with you; and

2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

# C. Contract Of Sale Clause

- The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered a contract with for the sale of Covered Property.
- 2. For Covered Property in which both you and the Loss Payee have an insurable interest, we will:
  - a. Adjust losses with you; and
  - **b.** Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

CP T9 62 07 11

Page 1 of 2

#### **COMMERCIAL PROPERTY**

**3.** The following is added to the **Other Insurance** Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

# D. Building Owner Loss Payable Clause

- 1. The Loss Payee shown in the Schedule or in the Declarations is the owner of the described building, in which you are a tenant.
- 2. We will adjust losses to the described building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
- **3.** We will adjust losses to tenants' improvements and betterments with you, unless the lease provides otherwise.





One Tower Square, Hartford, Connecticut 06183

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

POLICY NO.: Y-630-9N857616-COF-19

**ISSUE DATE**: 11-11-19

**INSURING COMPANY:** 

THE CHARTER OAK FIRE INSURANCE COMPANY

**DECLARATIONS PERIOD:** From 10-31-19 to 10-31-20 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial General Liability Coverage Part consists of these Declarations and the Coverage Form shown below.

#### 1. COVERAGE AND LIMITS OF INSURANCE:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM	LIMIT	S OF INSURANCE
General Aggregate Limit (Other than Products-Completed Operations)	\$	2,000,000
Products-Completed Operations Aggregate Limit	\$	2,000,000
Personal & Advertising Injury Limit	\$	1,000,000
Each Occurrence Limit	\$	1,000,000
Damage To Premises Rented To You Limit (any one premises)	\$	300,000
Medical Expense Limit (any one person)	\$	5,000

2. AUDIT PERIOD: ANNUAL

3. FORM OF BUSINESS: CORPORATION

4. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

# COMMERCIAL GENERAL LIABILITY COVERAGE IS SUBJECT TO A GENERAL AGGREGATE LIMIT

CG T0 01 11 03 Page 1 of 1

PRODUCER: HUB INTL NORTHWEST LLC 35286 OFFICE: SEATTLE 199

# **DECLARATIONS PREMIUM SCHEDULE**

POLICY NUMBER: Y-630-9N857616-COF-19

This Schedule applies to the Declarations for the period of 10-31-19 to 10-31-20

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

OPN	LOC/ BLDG		CURLINE	PREMIUM BASE/	DATEC	ADVANCE
NO.	NO.	CODE NO.	SUBLINE	EXPOSURE	RATES	PREMIUM
MINIMU	M PREM	IUMS				
	PREM PROD LOB	/OPS /C-OPS	\$409 \$573 \$250			
	1/	1/ 1 FLOOR COVERING DISTRIBUTORS				
003 004		12797	PREM/OPS PROD/C-OPS	s 13,000, s 13,000,		
	1/	1 PER PROJECT GEN	ERAL AGGREGATI	LIMIT		
005 006		44444	PREM/OPS PROD/C-OPS	S FLAT CHARGE S FLAT CHARGE		300 1
	1/	1 CONTRACTORS - S RECONSTRUCTION,				NSTRUCTION,
007 008		91585	PREM/OPS PROD/C-OPS	C 2,500, C 2,500,		
	2/	2 WAREHOUSES - PR PRODUCTS-COMPLE LIMIT.			_	AGGREGATE
009		68706	PREM/OPS	A 4,	000 21.359	85
	3/	3 WAREHOUSES - PR PRODUCTS-COMPLE LIMIT.			_	AGGREGATE
010		68706	PREM/OPS	A	500 21.359	11
	4/	4 WAREHOUSES - PR PRODUCTS-COMPLE LIMIT.			_	AGGREGATE
011		68706	PREM/OPS	A	250 21.359	5

\*This class is subject to the prem/ops transition program.

If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG T0 12.

CG T0 07 09 87 PAGE 1

# **DECLARATIONS PREMIUM SCHEDULE**

POLICY NUMBER: Y-630-9N857616-COF-19

This Schedule applies to the Declarations for the period of 10-31-19 to 10-31-20

It shows all of your known rating classes as of the effective date. Any exceptions will be so noted. This includes all locations you own, rent or occupy.

OPN NO.	LOC/ BLDG NO.	CLASS DESCRIPT/ CODE NO.	SUBLINE		PREMIUM BASE/ EXPOSURE	RATES	ADVANCE PREMIUM
	I	EMPLOYERS LIABI	LITY COVERAGE	3			
002		39099	EMPL LIAB	P	1,500,000	.220	330
	COVERAGE PART TOTAL					11,845	

If an "X" is entered in this box, these Declarations are completed on the Premium Schedule Extension CG T0 12.

CG T0 07 09 87 PAGE 2 (END)

<sup>\*</sup>This class is subject to the prem/ops transition program.

# **KEY TO DECLARATIONS PREMIUM SCHEDULE**

### **ABBREVIATIONS:**

CLASS DESCRIPT - means CLASS DESCRIPTION

LOC/BLDG NO. - means LOCATION/BUILDING NUMBER

OPN NO. - means OPERATION NUMBER

PREM/OPS - means PREMISES/OPERATIONS

PROD/C-OPS - means PRODUCTS/COMPLETED OPERATIONS

# **PREMIUM BASE:**

Key Letter	Premium Base	How Rates Apply
а	Area	per 1,000 square feet
С	Total Cost	per \$1,000 of total cost
m	Admissions	per 1,000 admissions
0	Total Operating Expense	per \$1,000 of total operating expenditures
р	Payroll	per \$1,000 of payroll
S	Gross Sales	per \$1,000 of gross sales
t	(see note* below)	(see note* below)
u	Units	per unit

<sup>\*</sup> Premium base t applies for a number of rarely used premium bases. The specific base and how rates apply are shown with the Class Description on the DECLARATIONS-PREMIUM SCHEDULE.

# **TABLE OF CONTENTS**

# COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG T1 00 02 19

SECTION I - COVERAGES Beginning on Page Coverage A -**Bodily Injury and Property** Insuring Agreement ......1 **Damage Liability** Coverage B -Personal and Advertising Insuring Agreement ......6 Injury Liability Exclusions ......6 Coverage C -**Medical Payments** Insuring Agreement ......9 Exclusions .......9 SECTION II – WHO IS AN INSURED ......11 Bankruptcy ......13 SECTION V – DEFINITIONS .......16

CG T0 34 02 19

# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section  ${\bf II}$  — Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section  ${\bf V}$  – Definitions.

#### SECTION I - COVERAGES

# COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

# 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:
  - (1) The amount we will pay for damages is limited as described in Section III Limits Of Insurance; and
  - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

**b.** This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
  - Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
  - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

#### 2. Exclusions

This insurance does not apply to:

# a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

#### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "bodily injury" or "property damage", provided that:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

#### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

#### d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

# e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - **(b)** Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

#### f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
  - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
    - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that

- is used to heat, cool or dehumidify the building, or produced by or originating from equipment that is used to heat water for personal use by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire":
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) If such "pollutants" are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - (i) Any insured; or
  - (ii) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
  - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed

- to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are or were at any time performing operations to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

# g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) 50 feet long or less; and
  - (b) Not being used to carry any person or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of:
  - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify as "mobile equipment" under the definition of "mobile equipment" if such land vehicle were not subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged; or

- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or
- (6) An aircraft that is:
  - (a) Chartered with a pilot to any insured;
  - (b) Not owned by any insured; and
  - **(c)** Not being used to carry any person or property for a charge.

# h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

#### i. War

"Bodily injury" or "property damage" arising out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

#### j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

# k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

# I. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "productscompleted operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

# m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended

# n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

# o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

#### p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

However, this exclusion does not apply to liability for damages because of "bodily injury".

#### q. Unsolicited Communication

"Bodily injury" or "property damage" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

# r. Access Or Disclosure Of Confidential Or Personal Information

"Bodily injury" or "property damage" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

#### s. Asbestos

(1) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "bodily injury" or "property damage" is caused or contributed to by the hazardous properties of asbestos.

- (2) "Bodily injury" or "property damage" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "bodily injury" or "property damage" described in Paragraph (1) above.
- (3) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, asbestos, asbestos fibers or products containing asbestos; or
  - (b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

# t. Employment-Related Practices

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - **(b)** Termination of that person's employment; or
  - (c) Employment-related practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline, failure to promote or advance, harassment, humiliation, discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest, detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the

employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "bodily injury".

Exclusions **c.** through **n.** do not apply to "premises damage". A separate limit of insurance applies to "premises damage" as described in Paragraph **6.** of Section **III** – Limits Of Insurance.

# COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY

# 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
  - (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
  - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

#### 2. Exclusions

This insurance does not apply to:

# a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

This exclusion does not apply to "personal injury" caused by malicious prosecution.

# Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, including publication by electronic means, of material, if done by or at the direction of the insured with knowledge of its falsity.

# Material Published Or Used Prior To Policy Period

- (1) "Personal and advertising injury" arising out of oral or written publication, including publication by electronic means, of material whose first publication took place before the beginning of the policy period; or
- (2) "Advertising injury" arising out of infringement of copyright, "title" or "slogan" in your "advertisement" whose first infringement in your "advertisement" was committed before the beginning of the policy period.

#### d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

#### e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Because of "personal injury" assumed by you in a contract or agreement that is an "insured contract", provided that the "personal injury" is caused by an offense committed subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "personal injury", provided that:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and
  - (b) Such attorneys' fees and litigation expenses are for defense of that party

against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

#### f. Breach Of Contract

"Advertising injury" arising out of a breach of contract.

# g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

#### h. Wrong Description Of Prices

"Advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

# i. Intellectual Property

"Personal and advertising injury" arising out of any actual or alleged infringement or violation of any of the following rights or laws, or any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation:

- (1) Copyright;
- (2) Patent;
- (3) Trade dress;
- (4) Trade name;
- (5) Trademark;
- (6) Trade secret; or
- (7) Other intellectual property rights or laws.

This exclusion does not apply to:

- (1) "Advertising injury" arising out of any actual or alleged infringement or violation of another's copyright, "title" or "slogan" in your "advertisement"; or
- (2) Any other "personal and advertising injury" alleged in any claim or "suit" that also alleges any such infringement or violation of another's copyright, "title" or "slogan" in your "advertisement".

# j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" caused by an offense committed by an insured whose business is:

(1) Advertising, "broadcasting" or publishing;

- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a.(1)**, **(2)** and **(3)** of the definition of "personal injury".

For the purposes of this exclusion:

- (1) Creating and producing correspondence written in the conduct of your business, bulletins, financial or annual reports, or newsletters about your goods, products or services will not be considered the business of publishing; and
- (2) The placing of frames, borders or links, or advertising, for you or others anywhere on the Internet will not, by itself, be considered the business of advertising, "broadcasting" or publishing.

#### k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts or owns, or over which the insured exercises control.

# I. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

#### m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

# n. Pollution-Related

Any loss, cost or expense arising out of any:

- Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or

neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

#### o. War

"Personal and advertising injury" arising out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

#### p. Unsolicited Communication

"Personal and advertising injury" arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of "unsolicited communication".

# q. Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information.

#### r. Asbestos

- (1) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the "personal and advertising injury" is caused or contributed to by the hazardous properties of asbestos.
- (2) "Personal and advertising injury" arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or "suit" which also alleges any "personal and advertising injury" described in Paragraph (1) above.
- (3) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or

- assess the effects of, asbestos, asbestos fibers or products containing asbestos; or
- (b) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

# s. Employment-Related Practices

"Personal injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - **(b)** Termination of that person's employment; or
  - (c) Employment-related practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline, failure to promote or advance, harassment, humiliation, discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest, detention or imprisonment applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is committed before, during or after the time of that person's employment; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in Paragraph (a), (b), or (c) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "personal injury".

# **COVERAGE C - MEDICAL PAYMENTS**

#### 1. Insuring Agreement

- **a.** We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or

- **(3)** Because of your operations; provided that:
- (a) The accident takes place in the "coverage territory" and during the policy period;
- **(b)** The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
  - (1) First aid administered at the time of an accident:
  - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
  - (3) Necessary ambulance, hospital, professional nursing and funeral services.

#### 2. Exclusions

We will not pay expenses for "bodily injury":

# a. Any Insured

To any insured, except "volunteer workers".

#### b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

#### c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

# d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

#### e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

#### f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

# g. Coverage A Exclusions

Excluded under Coverage A.

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Page 9 of 21

#### SUPPLEMENTARY PAYMENTS

- We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
  - a. All expenses we incur.
  - b. Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
  - C. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
  - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
  - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
  - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
  - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - **b.** This insurance applies to such liability assumed by the insured;
  - **c.** The obligation to defend, or the cost of the defense of, that indemnitee, has also been

- assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- **f.** The indemnitee:
  - (1) Agrees in writing to:
    - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
    - **(b)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
    - (c) Notify any other insurer whose coverage is available to the indemnitee; and
    - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
  - (2) Provides us with written authorization to:
    - (a) Obtain records and other information related to the "suit"; and
    - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I — Coverages — Coverage A — Bodily Injury And Property Damage Liability or Paragraph 2.e. of Section I — Coverages — Coverage B — Personal And Advertising Injury Liability, such payments will not be deemed to be damages for "bodily injury", "property damage" or "personal injury", and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- **a.** We have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses; or
- **b.** The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

# SECTION II - WHO IS AN INSURED

- 1. If you are designated in the Declarations as:
  - **a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - **b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - **e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- 2. Each of the following is also an insured:
  - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
    - (1) "Bodily injury" or "personal injury":
      - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer

- workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide first aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

- (2) "Property damage" to property:
  - (a) Owned, occupied or used by,
  - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by:

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- **b.** Any person (other than your "employee" or "volunteer worker"), or any organization, while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
  - (1) With respect to liability arising out of the maintenance or use of that property, and
  - (2) Until your legal representative has been appointed.

- **d.** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- e. Any person or organization that, with your express or implied consent, either uses or is responsible for the use of a watercraft that you do not own that is:
  - (1) 50 feet long or less; and
  - (2) Not being used to carry any person or property for a charge.
- 3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier:
  - **b.** Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II -Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- a. An organization, other than a partnership, joint venture or limited liability company, or
- **b.** A trust:

as indicated in its name or the documents that govern its structure.

- **4.** Any person or organization that is a premises owner, manager or lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that:
  - a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and

**b.** Arises out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor is subject to the following provisions:

- The limits of insurance provided to such premises owner, manager or lessor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such premises owner, manager or lessor does not apply to:
  - (1) Any "bodily injury" or "property damage" that occurs, or "personal and advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or
  - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, manager or essor
- 5. Any person or organization that is an equipment lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" that:
  - a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and
  - b. Is caused, in whole or in part, by your acts or omissions in the maintenance, operation or use of equipment leased to you by such equipment

The insurance provided to such equipment lessor is subject to the following provisions:

- a. The limits of insurance provided to such equipment lessor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" that occurs, or "personal and advertising injury" caused by an offense that is committed, after the equipment lease expires.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint

venture or limited liability company that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership, joint venture or limited liability company that otherwise qualifies as an insured under Section II – Who Is An Insured.

#### SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds:
  - **b.** Claims made or "suits" brought; or
  - **c.** Persons or organizations making claims or bringing "suits".
- The General Aggregate Limit is the most we will pay for the sum of:
  - a. Medical expenses under Coverage C;
  - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
  - **c.** Damages under Coverage **B**.
- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal injury" and "advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
  - a. Damages under Coverage A; and
  - **b.** Medical expenses under Coverage **C**;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "premises damage" to any one premises. The Damage To Premises Rented To You Limit will be:

- a. The amount shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part; or
- **b.** \$300,000 if no amount is shown for the Damage To Premises Rented To You Limit in the Declarations of this Coverage Part.
- 7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

# SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

#### 1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

# 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- **b.** If a claim is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- **c.** You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit":

- (2) Authorize us to obtain records and other information:
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- e. The following provisions apply to Paragraph a. above, but only for purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II Who Is An Insured:
  - (1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, or limited liability company), any of your trustees who is an individual (if you are a trust) or any "employee" authorized by you to give notice of an "occurrence" or offense.
  - (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:
    - (a) Any individual who is:
      - (i) A partner or member of any partnership or joint venture;
      - (ii) A manager of any limited liability company;

- (iii) An executive officer or director of any other organization; or
- (iv) A trustee of any trust;

that is your partner, joint venture member, manager or trustee; or

- (b) Any employee authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an "occurrence" or offense.
- (3) Notice to us of such "occurrence" or offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraph e.(1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this policy includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph **e.** does not affect that requirement.

# 3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- **a.** To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- **b.** To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative.

#### 4. Other Insurance

If valid and collectible other insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as described in Paragraphs a. and b. below.

As used anywhere in this Coverage Part, other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (i) Another insurance company;
- (ii) Us or any of our affiliated insurance companies, except when the Non cumulation of Each Occurrence Limit provision of Paragraph 5. of Section III Limits Of Insurance or the Non cumulation of Personal and Advertising Injury Limit provision of Paragraph 4. of Section III Limits of Insurance applies because the Amendment Non Cumulation Of Each Occurrence Limit Of Liability And Non Cumulation Of Personal And Advertising Injury Limit endorsement is included in this policy;
- (iii) Any risk retention group; or
- (iv) Any self-insurance method or program, in which case the insured will be deemed to be the provider of other insurance.

Other insurance does not include umbrella insurance, or excess insurance, that was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

As used anywhere in this Coverage Part, other insurer means a provider of other insurance. As used in Paragraph **c.** below, insurer means a provider of insurance.

#### a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below, except when Paragraph **d.** below applies.

#### b. Excess Insurance

- (1) This insurance is excess over:
  - (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
    - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

- (ii) That is insurance for "premises damage";
- (iii) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to any exclusion in this Coverage Part that applies to aircraft, "autos" or watercraft;
- (iv) That is insurance available to a premises owner, manager or lessor that qualifies as an insured under Paragraph 4. of Section II Who Is An Insured, except when Paragraph d. below applies; or
- (v) That is insurance available to an equipment lessor that qualifies as an insured under Paragraph 5. of Section II Who Is An Insured, except when Paragraph d. below applies.
- (b) Any of the other insurance, whether primary, excess, contingent or on any other basis, that is available to the insured when the insured is an additional insured, or is any other insured that does not qualify as a named insured, under such other insurance.
- (2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
  - (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
  - (b) The total of all deductible and selfinsured amounts under all that other insurance.
- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

# c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

# d. Primary And Non-Contributory Insurance If Required By Written Contract

If you specifically agree in a written contract or agreement that the insurance afforded to an insured under this Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such insured which covers such insured as a named insured, and we will not share with that other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal and advertising injury" for which coverage is sought is caused by an offense that is committed;

subsequent to the signing of that contract or agreement by you.

#### 5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

#### 6. Representations

By accepting this policy, you agree:

- **a.** The statements in the Declarations are accurate and complete;
- **b.** Those statements are based upon representations you made to us; and
- **c.** We have issued this policy in reliance upon your representations.

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

# 7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- As if each Named Insured were the only Named Insured; and
- **b.** Separately to each insured against whom claim is made or "suit" is brought.

# 8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

#### 9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

#### **SECTION V - DEFINITIONS**

- "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

#### 2. "Advertising injury":

- a. Means injury caused by one or more of the following offenses:
  - (1) Oral or written publication, including publication by electronic means, of material in your "advertisement" that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged;
  - (2) Oral or written publication, including publication by electronic means, of material in your "advertisement" that:
    - (a) Appropriates a person's name, voice, photograph or likeness; or
    - **(b)** Unreasonably places a person in a false light; or
  - (3) Infringement of copyright, "title" or "slogan" in your "advertisement", provided that the claim is made or the "suit" is brought by a person or organization that claims ownership of such copyright, "title" or "slogan".
- b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.

#### 3. "Auto" means:

- **a.** A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- **b.** Any other land vehicle that is subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- **4.** "Bodily injury" means:
  - **a.** Physical harm, including sickness or disease, sustained by a person; or
  - b. Mental anguish, injury or illness, or emotional distress, resulting at any time from such physical harm, sickness or disease.
- 5. "Broadcasting" means transmitting any audio or visual material for any purpose:
  - a. By radio or television; or

- **b.** In, by or with any other electronic means of communication, such as the Internet, if that material is part of:
  - Radio or television programming being transmitted;
  - (2) Other entertainment, educational, instructional, music or news programming being transmitted; or
  - (3) Advertising transmitted with any of such programming.

#### **6.** "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:
  - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
  - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
  - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits in the territory described in Paragraph **a.** above, or in a settlement we agree to.

- 7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

- "Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.
- "Hostile fire" means a fire which becomes uncontrollable or breaks out from where it was intended to be.
- 12. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - **b.** You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

- 13. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "premises damage" is not an "insured contract";
  - **b.** A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - **d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle,

- tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities.
- 14. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- **15.** "Loading or unloading" means the handling of property:
  - After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
  - **b.** While it is in or on an aircraft, watercraft or "auto"; or
  - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

- **16.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
  - Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  - **b.** Vehicles maintained for use solely on or next to premises you own or rent;
  - c. Vehicles that travel on crawler treads:

- **d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - **(b)** Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicle that is subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged. Such land vehicles are considered "autos".

#### 17. "Occurrence" means:

 An accident, including continuous or repeated exposure to substantially the same general harmful conditions; or

- b. An act or omission committed in providing or failing to provide first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.
- **18.** "Personal and advertising injury" means "personal injury" or "advertising injury".
- 19. "Personal injury":
  - a. Means injury, other than "advertising injury", caused by one or more of the following offenses:
    - (1) False arrest, detention or imprisonment;
    - (2) Malicious prosecution;
    - (3) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is committed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
    - (4) Oral or written publication, including publication by electronic means, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged; or
    - (5) Oral or written publication, including publication by electronic means, of material that:
      - (a) Appropriates a person's name, voice, photograph or likeness; or
      - **(b)** Unreasonably places a person in a false light.
  - b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.
- 20. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

# 21. "Premises damage" means:

- a. With respect to the first paragraph of the exceptions in Exclusion j. of Section I − Coverage A − Bodily Injury And Property Damage Liability, "property damage" to any premises while rented to you for a period of seven or fewer consecutive days, including the contents of such premises; or
- b. With respect to the exception to Exclusions c. through n. in the last paragraph of Paragraph 2. of Section I Coverage A Bodily Injury And Property Damage Liability, "property damage" to any premises while rented to you for a period of more than seven consecutive days, or while temporarily occupied by you with permission of the owner, caused by:
  - (1) Fire;
  - (2) Explosion;
  - (3) Lightning;
  - (4) Smoke resulting from fire, explosion or lightning; or
  - **(5)** Water.

But "premises damage" under this Paragraph **b.** does not include "property damage" to any premises caused by:

- (1) Rupture, bursting, or operation of pressure relief devices;
- (2) Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water; or
- (3) Explosion of steam boilers, steam pipes, steam engines or steam turbines.

#### 22. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
  - (1) Products that are still in your physical possession; or
  - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
    - (a) When all of the work called for in your contract has been completed.
    - **(b)** When all of the work to be done at the job site has been completed if your

- contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- **b.** Does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that productscompleted operations are subject to the General Aggregate Limit.

# 23. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use will be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

# 24. "Slogan":

- **a.** Means a phrase that others use for the purpose of attracting attention in their advertising.
- **b.** Does not include a phrase used as, or in, the name of:
  - (1) Any person or organization, other than you;
  - (2) Any business, or any of the premises, goods, products, services or work, of any person or organization, other than you.

- 25. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
  - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- 26. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or shortterm workload conditions.
- 27. "Title" means a name of a literary or artistic work.
- 28. "Unsolicited communication" means any communication, in any form, that the recipient of such communication did not specifically request to receive.
- 29. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
- 30. "Your product":
  - a. Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You;
- **(b)** Others trading under your name; or
- (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- **b.** Includes:
  - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
  - **(2)** The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.
- 31. "Your work":
  - a. Means:
    - (1) Work or operations performed by you or on your behalf; and
    - **(2)** Materials, parts or equipment furnished in connection with such work or operations.
  - **b.** Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
    - **(2)** The providing of or failure to provide warnings or instructions.

COMMERCIAL GENERAL LIABILITY GENERAL PURPOSE ENDORSEMENT

POLICY NUMBER: Y-630-9N857616-COF-19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED OWNERS, LESSEES OR CONTRACTORS COMPLETED OPERATIONS

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

CG 20 37 07-04

SCHEDULE

NAME OF ADDITIONAL INSURED PERSON(S) OR ORGANIZATION(S):

BN BUILDERS INC. 2601 4TH AVE., SUITE 350, SEATTLE, WA 98121

LOCATION AND DESCRIPTION OF COMPLETED OPERATIONS-

INSTALLATION OF RESILIENT FLOOR COVERING AT LYNNWOOD ES & MOUNTLAKE TERRACE ES

**CG T8 01** Page 1

COMMERCIAL GENERAL LIABILITY
GENERAL PURPOSE ENDORSEMENT

POLICY NUMBER: Y-630-9N857616-COF-19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED OWNERS, LESSEES OR CONTRACTORS COMPLETED OPERATIONS

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

CG 20 37 07-04

SCHEDULE

NAME OF ADDITIONAL INSURED PERSON(S) OR ORGANIZATION(S):

SKANSKA USA BUILDING INC. PROJECT NUMBER 4215042 221 YALE AVE N., SUITE 400. SEATTLE, WA

LOCATION AND DESCRIPTION OF COMPLETED OPERATIONS-

INSTALLATION OF FLOOR COVERINGS AT LOYAL HEIGHTS ELEMENTARY SCHOOL

**CG T8 01** Page 2

COMMERCIAL GENERAL LIABILITY
GENERAL PURPOSE ENDORSEMENT

POLICY NUMBER: Y-630-9N857616-COF-19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED OWNERS, LESSEES OR CONTRACTORS SCHEDULED PERSON OR ORGANIZATION

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

CG 20 10 10 01

**SCHEDULE** 

NAME OF PERSON OR ORGANIZATION:

PROJECT OWNER AND SKANSKA USA BUILDING INC., SKANSKA USA INC., INDEMNIFIED PARTIES, ANY OTHER PARTIES AS REQUIRED BY THE OWNER CONTRACT AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES AND AFFILIATES

CG T8 02 Page 1

ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

# TOTAL GENERAL AGGREGATE LIMIT DESIGNATED PROJECT(S) – GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **SCHEDULE**

Total General Aggregate Limit: \$ 5,000,000

POLICY NUMBER: Y-630-9N857616-COF-19

Designated Project(s): "EACH PROJECT FOR WHICH YOU HAVE AGREED, IN A
WRITTEN CONTRACT WHICH IS IN EFFECT DURING
THIS POLICY PERIOD, TO PROVIDE A SEPARATE
GENERAL AGGREGATE LIMIT; PROVIDED THAT THE
CONTRACT IS SIGNED AND EXECUTED PRIOR TO ANY

LOSS FOR WHICH COVERAGE IS SOUGHT."

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- **A.** The Total General Aggregate Limit stated in the Schedule above is the most we will pay for the sum of all:
  - Medical Expenses under COVERAGE C (SECTION I);
  - Damages under COVERAGE A (SECTION I), except damages because of "bodily injury" or "property damage" included in the "productscompleted operations hazard"; and
  - **3.** Damages under COVERAGE B (SECTION I) regardless of the number of:
  - a. Insureds:
  - **b.** Claims made or "suits" brought;
  - **c.** Persons or organizations making claims or bringing "suits"; or
  - d. Designated "projects" listed in the SCHED-ULE above.
- **B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under COVERAGE A (SECTION I), and for all medical expenses caused by accidents un-

- der COVERAGE C (SECTION I), which can be attributed only to operations at a single designated "project" shown in the Schedule above:
- A separate Designated Project General Aggregate Limit applies to each designated "project", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
- 2. Subject to the Total General Aggregate Limit stated in the Schedule above, the Designated Project General Aggregate Limit is the most we will pay for the sum of all damages under COVERAGE A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under COVERAGE C regardless of the number of:
  - a. Insureds;
  - **b.** Claims made or "suits" brought; or
  - **c.** Persons or organizations making claims or bringing "suits".

CG D3 21 01 04

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Page 1 of 2

- 3. Any payments made under COVERAGE A for damages or under COVERAGE C for medical expenses shall reduce both the Total General Aggregate Limit stated in the Schedule above, and the Designated Project General Aggregate Limit for that designated "project". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Project General Aggregate Limit for any other designated "project" shown in the Schedule above.
- 4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to both the Total General Aggregate Limit stated in the Schedule above, and the applicable Designated Project General Aggregate Limit.
- C. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under COVERAGE A (SECTION I), and for all medical expenses caused by accidents under COVERAGE C (SECTION I), which cannot be attributed only to operations at a single designated "project" shown in the Schedule above:
  - Any payments made under COVERAGE A for damages or under COVERAGE C for medical expenses shall reduce the amount available under the Total General Aggregate Limit stated in the Schedule above and the General Aggregate Limit, or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
  - 2. Such payments shall not reduce any Designated Project General Aggregate Limit.

As respects this Provision **C.**, the limits shown in the Declarations for Each Occurrence, Damage

- To Premises Rented To You and Medical Expense continue to apply.
- **D.** Part **2.** of **SECTION III LIMITS OF INSURANCE** is deleted and replaced by the following:
  - **2.** The General Aggregate Limit is the most we will pay for the sum of:
    - a. Damages under Coverage B; and
    - b. Damages from "occurrences" under COVERAGE A (SECTION I) and for all medical expenses caused by accidents under COVERAGE C (SECTION I) which cannot be attributed only to operations at a single designated "project" shown in the SCHEDULE above.
- E. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the Total General Aggregate Limit stated in the Schedule above, the General Aggregate Limit, or the Designated Project General Aggregate Limit.
- **F.** For the purposes of this endorsement the Definitions Section is amended by the addition of the following definition:
  - "Project" means an area away from premises owned by or rented to you at which you are performing operations pursuant to a contract or agreement. For the purposes of determining the applicable aggregate limit of insurance, each "project" that includes premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad shall be considered a single "project".
- **G.** The provisions of LIMITS OF INSURANCE (SECTION III) not otherwise modified by this endorsement shall continue to apply as stipulated.

POLICY NUMBER: Y-630-9N857616-COF-19

COMMERCIAL GENERAL LIABILITY ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name of Person or Organization:

HOFFMAN CORPORATION ATTN: PURCHASING DEPT

**Location And Description of Completed Operations:** 

OR

SHORELINE SD, KELLOGG

MIDDLE SCHOOL

**Section II – Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".

CG D3 73 11 05

POLICY NUMBER: Y-630-9N857616-COF-19

COMMERCIAL GENERAL LIABILITY ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

HOFFMAN CORPORATION ATTN: PURCHASING DEPT

**Location And Description of Completed Operations:** 

EINSTEIN MIDDLE SCHOOL REPLACEMENT

OR

**Section II – Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".

CG D3 73 11 05

ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name of Person or Organization:

POLICY NUMBER: Y-630-9N857616-COF-19

HOFFMAN CORPORATION ATTN: PURCHASING DEPT.

805 SW BROADWAY, STE. 2100
SHORELINE SD, KELLOGG MIDDLE SCHOOL
PORTLAND OR 97205

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Section II Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.
- **B.** With respect to the insurance afforded to these additional insureds, the following exclusion is added:

#### 2. Exclusions

This insurance does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with

- such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name of Person or Organization:

POLICY NUMBER: Y-630-9N857616-COF-19

HOFFMAN CORPORATION ATTN: PURCHASING DEPT.

805 SW BROADWAY, STE 2100
EINSTEIN MIDDLE SCHL REPLACEMENT
PORTLAND OR 97205

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Section II Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.
- **B.** With respect to the insurance afforded to these additional insureds, the following exclusion is added:
  - 2. Exclusions

This insurance does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with

- such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name of Person or Organization:

PROJECT OWNER AND SKANSKA USA BUILDING INC (SEE CG T8 02)

POLICY NUMBER: Y-630-9N857616-COF-19

(SEE CG T8 02)

PORTLAND

OR 97205

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Section II Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.
- **B.** With respect to the insurance afforded to these additional insureds, the following exclusion is added:

#### 2. Exclusions

This insurance does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with

- such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

CG 20 10 10 01

POLICY NUMBER: Y-630-9N857616-COF-19

COMMERCIAL GENERAL LIABILITY ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name Of Additional Insured Person(s) Or Organization(s): BN BUILDERS INC.

**Location And Description Of Completed Operations SEE CG T8 01** 

WΑ

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the

location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

CG 20 37 07 04

POLICY NUMBER: Y-630-9N857616-COF-19

COMMERCIAL GENERAL LIABILITY ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name Of Additional Insured Person(s) Or Organization(s):

SKANSKA USA BUILDING INC. PROJECT NUMBER 4215042

**Location And Description Of Completed Operations SEE CG T8 01** 

WA

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the

location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

CG 20 37 07 04

POLICY NUMBER: Y-630-9N857616-COF-19 ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

#### **EMPLOYERS OVERHEAD LIABILITY**

This modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

#### LIST OF STATES

Washington

#### LIMITS OF INSURANCE

BODILY INJURY BY ACCIDENT 1,000,000 EACH ACCIDENT
BODILY INJURY BY DISEASE 1,000,000 EACH EMPLOYEE
BODILY INJURY BY DISEASE 1,000,000 EACH EMPLOYEE

None of the terms of the Coverage Part to which this endorsement is attached apply to the insurance provided by this endorsement, except for the COMMON POLICY CONDITIONS and Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS.

#### **SECTION I – COVERAGE**

#### 1. Insuring Agreement

This insurance applies to "bodily injury" by accident or "bodily injury" by disease to your "employees". "Bodily injury" includes resulting death.

- **a.** The "bodily injury" must arise out of and in the course of the injured "employee's" employment by you.
- **b.** The employment must be necessary or incidental to your work in the state(s) listed in the Schedule above.
- C. You must maintain for the "employee" full Workers Compensation Insurance coverage in the Workers Compensation State Fund of the state(s) listed in the Schedule above during the term of this insurance or shall be a qualified self insurer approved by the State Workers Compensation Commission and in good standing.
- **d.** "Bodily injury" by accident must occur during the endorsement period.
- **e.** "Bodily injury" by disease must be caused or aggravated by the conditions of your em-

- ployment. The "employee's" last day of last exposure to the conditions causing or aggravating such "bodily injury" by disease must occur during the endorsement period.
- f. If you are sued, the original "suit" and any related legal actions for damages for "bodily injury" by accident or disease must be brought in the United States of America, its territories or possessions, or Canada.

#### 2. We Will Pay

We will pay all sums you legally must pay as damages because of "bodily injury" to your "employees", provided the "bodily injury" is covered by this insurance. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Paragraph 5. Supplementary Payments of this COVERAGE Section.

The damages we will pay, where recovery is permitted by law, include damages:

- a. for which you are liable to a third party by reason of a claim or "suit" against you by that third party to recover the damages claimed against such third party as a result of injury to your "employee";
- b. for care and loss of services; and
- c. for consequential "bodily injury" to a spouse, child, parent, brother or sister of the injured "employee";

GN 01 13 11 03

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Page 1 of 4

provided that these damages are the direct consequence of "bodily injury" that arises out of and in the course of the injured "employee's" employment by you; and

d. because of "bodily injury" to your "employee" that arises out of and in the course of employment, claimed against you in a capacity other than as an employer.

#### 3. We Will Defend

We have the right and duty to defend you, at our expense, against any claim, proceeding or "suit" seeking damages payable by this insurance. We have the right to investigate any "bodily injury" and settle these claims, proceedings and "suits".

The amount we will pay for damages is limited as described in LIMITS OF INSURANCE (Section III).

We have no duty to defend you against a claim, proceeding or "suit" that is not covered by this insurance. We have no duty to defend or continue defending you after we have paid our applicable limit of liability under this insurance.

#### 4. Exclusions

This insurance does not apply to:

- a. Liability assumed under a contract or agreement. This exclusion does not apply to a warranty that your work will be done in a workmanlike manner;
- **b.** Punitive or exemplary damages because of "bodily injury" to an "employee" employed in violation of law;
- c. "Bodily injury" to an "employee" while employed in violation of law with your actual knowledge or the actual knowledge of any of your partners (if you are a partnership), your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company), your members or managers (if you are a joint venture or limited liability company) or your trustees (if you are a trust);
- **d.** Any obligation imposed by a Workers Compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law;
- e. "Bodily injury" intentionally caused or aggravated by you;

- f. Any damages for "bodily injury" with respect to which the insured is deprived of any defense or defenses;
- g. "Bodily injury" occurring outside the United States of America, its territories or possessions, and Canada. This exclusion does not apply to "bodily injury" to a citizen or resident of the United States of America or Canada who is temporarily outside these countries;
- h. Damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any "employee", or any personnel practices, policies, acts or omissions;
- i. "Bodily injury" to any person in work subject to the Longshore and Harbor Workers' Compensation Act (33 USC Sections 901-950), the Nonappropriated Fund Instrumentalities Act (5 USC Sections 8171-8173), the Outer Continental Shelf Lands Act (43 USC Sections 1331-1356), the Defense Base Act (42 USC Sections 1651-1654), the Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942), any other federal workers or workmen's compensation law or other federal occupational disease law, or any amendments to these laws;
- j. "Bodily injury" to any person in work subject to the Federal Employers' Liability Act (45 USC Sections 51-60), any other federal laws obligating an employer to pay damages to an "employee" due to "bodily injury" arising out of or in the course of employment, or any amendments to those laws;
- **k.** "Bodily injury" to a master or member of the crew of any vessel;
- **I.** Fines or penalties imposed for violation of federal or state law;
- m. Damages payable under the Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872) and under any other federal law awarding damages for violation of those laws or regulations issued thereunder, and any amendments to those laws.

#### 5. Supplementary Payments

We will pay with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

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- Reasonable expenses incurred at our request, but not loss of earnings;
- **b.** Premiums for bonds to release attachments and for appeal bonds in bond amounts up to the limit of our liability under this insurance;
- c. Litigation costs taxed against you;
- d. Interest on a judgment as required by law until we offer the amount due under this insurance; and
- e. Expenses we incur.

These payments will not reduce the Limits of Insurance.

#### SECTION II - WHO IS AN INSURED

- If you are designated in the Declarations of the Coverage Part to which this endorsement is attached as:
  - **a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - **b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership or joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - **e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- 2. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization, or the end of the endorsement period, whichever is earlier;

**b.** Coverage does not apply to "bodily injury" that occurred before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations of the Coverage Part to which this endorsement is attached.

#### SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Schedule above and the following rules fix the most we will pay regardless of the number of:
  - a. Insureds:
  - **b.** Claims made or "suits" brought; or
  - **c.** Persons or organizations making claims or bringing "suits".
- 2. The Bodily Injury by Accident Each Accident limit is the most we will pay for all damages because of "bodily injury" to one or more "employees" in any one accident. A disease is not "bodily injury" by accident unless it results directly from "bodily injury" by accident.
- 3. The Bodily Injury by Disease Aggregate limit is the most we will pay for all damages because of "bodily injury" by disease, regardless of the number of "employees" who sustain "bodily injury" by disease;
- **4.** The Bodily Injury by Disease Each Employee limit is the most we will pay for all damages because of "bodily injury" by disease to any one "employee", subject to **3.** above.

Under parts **3.** and **4.** above, "bodily injury" by disease does not include disease that results directly from "bodily injury" by accident.

The limits of this insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the endorsement period, unless the endorsement period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### SECTION IV - DEFINITIONS

 "Bodily Injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

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- **2.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- 4. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- 5. "Suit" means a civil proceeding in which damages because of "bodily injury" to which this insurance applies are alleged. "Suit" includes:

- **a.** An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
- **b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.
- 6. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or shortterm workload conditions.
- 7. "Workers Compensation Laws" means the workers or workmen's compensation law and occupational disease law of each state or territory. It includes any amendments to that law which are in effect during the endorsement period. It does not include the provisions of any law that provides non-occupational disability benefits.

# AMENDMENT – NON CUMULATION OF EACH OCCURRENCE LIMIT OF LIABILITY and NON CUMULATION OF PERSONAL and ADVERTISING INJURY LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**1.** Paragraph 5 of SECTION III – LIMITS OF INSURANCE, is amended to include the following:

Non cumulation of Each Occurrence Limit – If one "occurrence" causes "bodily injury" and/or "property damage" during the policy period and during the policy period of one or more prior and/or future policies that include a commercial general liability coverage part for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Each Occurrence Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "occurrence".

**2.** Paragraph 4 of SECTION III – LIMITS OF INSURANCE, is amended to include the following:

Non cumulation of Personal and Advertising Limit — If "personal injury" and/or "advertising injury" is sustained by any one person or organization during the policy period and during the policy period of one or more prior and/or future policies that include a commercial general liability coverage part for the insured issued by us or any affiliated insurance company, the amount we will pay is limited. This policy's Personal Injury and Advertising Injury Limit will be reduced by the amount of each payment made by us and any affiliated insurance company under the other policies because of such "personal injury" and/or "advertising injury".

#### **BLANKET ADDITIONAL INSURED**

(Includes Products-Completed Operations If Required By Contract)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **PROVISIONS**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that you agree in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only:

- a. With respect to liability for "bodily injury" or "property damage" that occurs, or for "personal injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement and while that part of the contract or agreement is in effect; and
- b. If, and only to the extent that, such injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the written contract or agreement applies. Such person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.

The insurance provided to such additional insured is subject to the following provisions:

- a. If the Limits of Insurance of this Coverage Part shown in the Declarations exceed the minimum limits required by the written contract or agreement, the insurance provided to the additional insured will be limited to such minimum required limits. For the purposes of determining whether this limitation applies, the minimum limits required by the written contract or agreement will be considered to include the minimum limits of any Umbrella or Excess liability coverage required for the additional insured by that written contract or agreement. This provision will not increase the limits of insurance described in Section III Limits Of Insurance.
- **b.** The insurance provided to such additional insured does not apply to:

- (1) Any "bodily injury", "property damage" or "personal injury" arising out of the providing, or failure to provide, any professional architectural, engineering or surveying services, including:
  - (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
  - **(b)** Supervisory, inspection, architectural or engineering activities.
- (2) Any "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the written contract or agreement specifically requires you to provide such coverage for that additional insured during the policy period.
- **c.** The additional insured must comply with the following duties:
  - (1) Give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
    - (a) How, when and where the "occurrence" or offense took place;
    - **(b)** The names and addresses of any injured persons and witnesses; and
    - (c) The nature and location of any injury or damage arising out of the "occurrence" or offense.
  - (2) If a claim is made or "suit" is brought against the additional insured:

CG D2 46 04 19

- (a) Immediately record the specifics of the claim or "suit" and the date received; and
- (b) Notify us as soon as practicable and see to it that we receive written notice of the claim or "suit" as soon as practicable.
- (3) Immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- (4) Tender the defense and indemnity of any claim or "suit" to any provider of other insurance which would cover such additional insured for a loss we cover. However, this condition does not affect whether the insurance provided to such additional insured is primary to other insurance available to such additional insured which covers that person or organization as a named insured as described in Paragraph 4., Other Insurance, of Section IV Commercial General Liability Conditions.

## XTEND ENDORSEMENT FOR MANUFACTURERS AND WHOLESALERS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**GENERAL DESCRIPTION OF COVERAGE** – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. Who Is An Insured Unnamed Subsidiaries
- B. Who Is An Insured Employees And Volunteer Workers – Bodily Injury To Co-Employees And Co-Volunteer Workers
- **C.** Who Is An Insured Newly Acquired Or Formed Limited Liability Companies
- D. Blanket Additional Insured Broad Form Vendors
- E. Blanket Additional Insured Controlling Interest
- **F.** Blanket Additional Insured Mortgagees, Assignees, Successors Or Receivers
- G. Blanket Additional Insured Governmental Entities Permits Or Authorizations Relating To Premises

- H. Blanket Additional Insured Governmental Entities – Permits Or Authorizations Relating To Operations
- Blanket Additional Insured Grantors Of Franchises
- J. Incidental Medical Malpractice
- K. Medical Payments Increased Limit
- L. Blanket Waiver Of Subrogation
- M. Contractual Liability Railroads

#### **PROVISIONS**

#### A. WHO IS AN INSURED — UNNAMED SUBSIDIARIES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership or joint venture, that is not shown as a Named Insured in the Declarations is a Named Insured if:

- a. You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and
- **b.** Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

- **a.** Before you maintained an ownership interest of more than 50% in such subsidiary; or
- **b.** After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph 1. of Section II – Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

- a. A limited liability company;
- **b.** An organization other than a partnership, joint venture or limited liability company; or
- c. A trust;

as indicated in its name or the documents that govern its structure.

CG D4 58 02 19

Page 1 of 5

# B. WHO IS AN INSURED – EMPLOYEES AND VOLUNTEER WORKERS – BODILY INJURY TO CO-EMPLOYEES AND CO-VOLUNTEER WORKERS

The following is added to Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED**:

Paragraphs (1)(a), (b) and (c) above do not apply to "bodily injury" to a co-"employee" while in the course of the co-"employee's" employment by you or performing duties related to the conduct of your business, or to "bodily injury" to your other "volunteer workers" while performing duties related to the conduct of your business.

#### C. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED LIMITED LIABILITY COMPANIES

The following replaces Paragraph 3. of SECTION II – WHO IS AN INSURED:

- 3. Any organization you newly acquire or form, other than a partnership or joint venture, and of which you are the sole owner or in which you maintain an ownership interest of more than 50%, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only:
    - (1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or
    - (2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it;
  - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - **c.** Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

For the purposes of Paragraph 1. of Section II – Who Is An Insured, each such organization will be deemed to be designated in the Declarations as:

- a. A limited liability company;
- An organization, other than a partnership, joint venture or limited liability company; or
- c. A trust;

as indicated in its name or the documents that govern its structure.

#### D. BLANKET ADDITIONAL INSURED - BROAD FORM VENDORS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a vendor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury" or "property damage" that:

- **a.** Occurs subsequent to the signing of that contract or agreement; and
- **b.** Arises out of "your products" that are distributed or sold in the regular course of such vendor's business.

The insurance provided to such vendor is subject to the following provisions:

- a. The limits of insurance provided to such vendor will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such vendor does not apply to:
  - Any express warranty not authorized by you or any distribution or sale for a purpose not authorized by you;
  - (2) Any change in "your products" made by such vendor:
  - (3) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - (4) Any failure to make such inspections, adjustments, tests or servicing as vendors agree to perform or normally undertake to perform in the regular course of business, in connection with the distribution or sale of "your products";

CG D4 58 02 19

- (5) Demonstration, installation, servicing or repair operations, except such operations performed at such vendor's premises in connection with the sale of "your products"; or
- (6) "Your products" that, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or on behalf of such vendor.

Coverage under this provision does not apply to:

- a. Any person or organization from whom you have acquired "your products", or any ingredient, part or container entering into, accompanying or containing such products; or
- **b.** Any vendor for which coverage as an additional insured specifically is scheduled by endorsement.

#### E. BLANKET ADDITIONAL INSURED -CONTROLLING INTEREST

 The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that has financial control of you is an insured with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" that arises out of:

- a. Such financial control; or
- **b.** Such person's or organization's ownership, maintenance or use of premises leased to or occupied by you.

The insurance provided to such person or organization does not apply to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

2. The following is added to Paragraph 4. of SECTION II – WHO IS AN INSURED:

This paragraph does not apply to any premises owner, manager or lessor that has financial control of you.

### F. BLANKET ADDITIONAL INSURED – MORTGAGEES, ASSIGNEES, SUCCESSORS OR RECEIVERS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a mortgagee, assignee, successor or receiver and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to its

liability as mortgagee, assignee, successor or receiver for "bodily injury", "property damage" or "personal and advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal and advertising injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement; and
- b. Arises out of the ownership, maintenance or use of the premises for which that mortgagee, assignee, successor or receiver is required under that contract or agreement to be included as an additional insured on this Coverage Part.

The insurance provided to such mortgagee, assignee, successor or receiver is subject to the following provisions:

- a. The limits of insurance provided to such mortgagee, assignee, successor or receiver will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.
- **b.** The insurance provided to such person or organization does not apply to:
  - (1) Any "bodily injury" or "property damage" that occurs, or any "personal and advertising injury" caused by an offense that is committed, after such contract or agreement is no longer in effect; or
  - (2) Any "bodily injury", "property damage" or "personal and advertising injury" arising out of any structural alterations, new construction or demolition operations performed by or on behalf of such mortgagee, assignee, successor or receiver.

### G. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO PREMISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to premises owned or occupied by, or rented or loaned to, you and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the existence, ownership, use, maintenance, repair, construction, erection or removal of any of the following for which that governmental entity has

CG D4 58 02 19

Page 3 of 5

issued such permit or authorization: advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, elevators, street banners or decorations.

# H BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

- a. Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or
- **b.** Any "bodily injury" or "property damage" included in the "products-completed operations hazard".
- I. BLANKET ADDITIONAL INSURED GRANTORS OF FRANCHISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that grants a franchise to you is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of your operations in the franchise granted by that person or organization.

If a written contract or agreement exists between you and such additional insured, the limits of insurance provided to such insured will be the minimum limits that you agreed to provide in the written contract or agreement, or the limits shown in the Declarations, whichever are less.

#### J. INCIDENTAL MEDICAL MALPRACTICE

- The following replaces Paragraph b. of the definition of "occurrence" in the DEFINITIONS Section:
  - **b.** An act or omission committed in providing or failing to provide "incidental medical

services", first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

 The following replaces the last paragraph of Paragraph 2.a.(1) of SECTION II – WHO IS AN INSURED:

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide:

- (a) "Incidental medical services" by any of your "employees" who is a nurse, nurse assistant, emergency medical technician, paramedic, athletic trainer, audiologist, dietician, nutritionist, occupational therapist or occupational therapy assistant, physical therapist or speech-language pathologist; or
- (b) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.
- The following replaces the last sentence of Paragraph 5. of SECTION III – LIMITS OF INSURANCE:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following exclusion is added to Paragraph 2., Exclusions, of SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

#### Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of, the insured.

Page 4 of 5 © 2017

CG D4 58 02 19

**5.** The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

- Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or
- b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.
- The following is added to Paragraph 4.b., Excess Insurance, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "incidental medical services" to any person to the extent not subject to Paragraph 2.a.(1) of Section II – Who Is An Insured.

#### K. MEDICAL PAYMENTS - INCREASED LIMIT

The following replaces Paragraph 7. of **SECTION III – LIMITS OF INSURANCE**:

7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person, and will be the higher of:

- **a.** \$10,000; or
- b. The amount shown in the Declarations of this Coverage Part for Medical Expense Limit.

#### L. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV — COMMERCIAL GENERAL LIABILITY CONDITIONS:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- **a.** "Bodily injury" or "property damage" that occurs; or
- b. "Personal and advertising injury" caused by an offense that is committed;

subsequent to the execution of the contract or agreement.

#### M. CONTRACTUAL LIABILITY - RAILROADS

- The following replaces Paragraph c. of the definition of "insured contract" in the DEFINITIONS Section:
  - c. Any easement or license agreement;
- Paragraph f.(1) of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

# EXCLUSION – ALL PROJECTS SUBJECT TO A WRAP-UP INSURANCE PROGRAM WITH LIMITED EXCEPTIONS FOR CERTAIN ONGOING OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **PROVISIONS**

 The following exclusion is added to Paragraph 2., Exclusions, of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROP-ERTY DAMAGE LIABILITY:

#### **Wrap-up Insurance Programs**

"Bodily injury" or "property damage" arising out of any project that is or was subject to a "wrap-up insurance program".

This exclusion does not apply to "bodily injury" or "property damage" arising out of your ongoing operations that:

- (1) Are being performed at any location owned by, or rented to, you that is outside the project site for that project and is not covered by the "wrap-up insurance program" for that project; or
- (2) Are punch list or warranty work, if coverage was available to the insured under the "wrapup insurance program" for "bodily injury" and "property damage" arising out of your ongoing operations and the "bodily injury" or "property damage" occurs after the expiration of all such coverage.

The exceptions in this exclusion do not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard" even if you are required to provide such coverage for an additional insured by a written contract or agreement.

The following is added to the **DEFINITIONS** Section:

"Wrap-up insurance program" means any agreement or arrangement, including any contractorcontrolled, owner-controlled or similar insurance program, under which:

- a. Some or all of the contractors working on a specific project, or specific projects, are required to enroll in a program to obtain insurance that:
  - (1) Includes the same or similar insurance as that provided by this Coverage Part; and
  - (2) Is issued specifically for injury or damage arising out of such project or projects; and
- **b.** You are or were enrolled or allowed to enroll.

# AMENDMENT OF CONTRACTUAL LIABILITY EXCLUSION - EXCEPTION FOR DAMAGES ASSUMED IN AN INSURED CONTRACT APPLIES ONLY TO NAMED INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **PROVISIONS**

- The following replaces Paragraph (2) of Exclusion b., Contractual Liability, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:
  - (2) Assumed by you in a contract or agreement that is an "insured contract", provided that the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed by you in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed to be damages because of "bodily injury" or "property damage", provided that:
    - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed by you in the same "insured contract"; and
    - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.
- The following replaces the beginning of Paragraph 2., and Paragraphs 2.a., b., c., d. and e., of SUPPLEMENTARY PAYMENTS COVERAGES:
  - 2. If we defend you against a "suit" and your indemnitee is also named as a party to the "suit", we will have the right and duty to defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which you have assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- **b.** This insurance applies to such liability assumed by you;
- c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by you in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that we determine that no conflict exists between your interests and the interests of the indemnitee;
- e. You and the indemnitee ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend you and the indemnitee; and
- The following replaces the last sentence of Paragraph 2. of SUPPLEMENTARY PAY-MENTS – COVERAGES A AND B of SEC-TION I – COVERAGES:

Our obligation to defend your indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- **a.** We have used up the applicable limit of insurance in the payment of judgments, settlements or medical expenses; or
- **b.** The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

CG D4 21 07 08

### EXCLUSION – VIOLATION OF CONSUMER FINANCIAL PROTECTION LAWS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **PROVISIONS**

The following exclusion is added to Paragraph
 Exclusions, of SECTION I – COVERAGES
 COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

#### Violation Of Consumer Financial Protection Laws

"Bodily injury" or "property damage" arising out of any actual or alleged violation of a "consumer financial protection law", or any other "bodily injury" or "property damage" alleged in any claim or "suit" that also alleges any such violation.

2. The following exclusion is added to Paragraph 2., Exclusions, of SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY:

#### Violation Of Consumer Financial Protection Laws

"Personal injury" or "advertising injury" arising out of any actual or alleged violation of a "consumer financial protection law", or any other "personal injury" or "advertising injury" alleged in any claim or "suit" that also alleges any such violation.

The following is added to the **DEFINITIONS** Section: "Consumer financial identity information" means any of the following information for a person that is used or collected for the purpose of serving as a factor in establishing such person's eligibility for personal credit, insurance or employment, or for the purpose of conducting a business transaction:

- **a.** Part or all of the account number, the expiration date or the balance of any credit, debit, bank or other financial account.
- b. Information bearing on a person's credit worthiness, credit standing or credit capacity.
- c. Social security number.
- d. Drivers license number.
- e. Birth date.

"Consumer financial protection law" means:

- a. The Fair Credit Reporting Act (FCRA) and any of its amendments, including the Fair and Accurate Credit Transactions Act (FACTA);
- **b.** California's Song-Beverly Credit Card Act and any of its amendments; or
- c. Any other law or regulation that restricts or prohibits the collection, dissemination, transmission, distribution or use of "consumer financial identity information".

#### **EXCLUSION – LEAD**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART OWNERS AND CONTRACTORS LIABILITY COVERAGE PART PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART RAILROAD PROTECTIVE LIABILITY COVERAGE PART CATASTROPHE UMBRELLA POLICY

#### **PROVISIONS**

This insurance does not apply to any injury, damage, loss, cost, payment or expense, including, but not limited to, defense and investigation, of any kind arising out of, resulting from, caused by or contributed to by the actual or alleged presence or actual, alleged or threatened dispersal, release, ingestion, inhalation or absorption of lead, lead compounds or lead which is or was contained or incorporated into any material or substance. This exclusion applies, but is not limited to:

**1.** Any supervision, instructions, recommendations, warnings or advice given in connection with the above:

- Any obligation to share damages, losses, costs, payments or expenses with or repay someone else who must make payment because of such injury or damage, loss, cost, payment or expense; or
- **3.** Any request, order or requirement to abate, mitigate, remediate, contain, remove or dispose of lead, lead compounds or materials or substances containing lead.

CG D0 76 06 93 Page 1 of 1

#### **EXCLUSION – DISCRIMINATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **PROVISIONS**

 The following exclusion is added to Paragraph 2., Exclusions, of SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

#### Discrimination

"Bodily injury" arising out of discrimination based upon a person's sex, sexual orientation, marital status, pregnancy, race, color, creed, religion, national origin, citizenship, veteran status, age, genetic information or physical or mental disability, or any other characteristic, attribute, trait, condition or status that qualifies a person for protection against discrimination under federal, state or local law.

2. The following exclusion is added to Paragraph 2., Exclusions, of SECTION I – COVERAGES – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY:

#### **Discrimination**

"Personal injury" arising out of discrimination based upon a person's sex, sexual orientation, marital status, pregnancy, race, color, creed, religion, national origin, citizenship, veteran status, age, genetic information or physical or mental disability, or any other characteristic, attribute, trait, condition or status that qualifies a person for protection against discrimination under federal, state or local law.

# EXCLUSION – EXTERIOR INSULATION AND FINISH SYSTEM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **PROVISIONS**

The following exclusion is added to Paragraph
 Exclusions, of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

#### **Exterior Insulation And Finish System**

- (1) "Property damage" arising out of "your product" or "your work":
  - (a) That is or that is in or part of any "exterior insulation and finish system" or any substantially similar system; or
  - (b) That impacts the fitness, quality, durability or performance of any "exterior insulation and finish system" or any substantially similar system.
- (2) "Bodily injury" arising out of "your product" or "your work" described in Paragraph (a) or (b) above and that is alleged in any claim or "suit" which also alleges such "property damage".

- The following is added to SECTION V DEFINITIONS:
  - "Exterior insulation and finish system" (commonly referred to as synthetic stucco or EIFS):
  - a. Means an exterior cladding or finish system used on any part of any structure and consisting of:
    - (1) A rigid or semi rigid insulation board made of expanded polystyrene or other materials:
    - (2) The adhesive or mechanical fasteners used to attach the insulation board to the substrate:
    - (3) A reinforced base coat; and
    - (4) A finish coat providing surface texture and color.
  - **b.** Includes any conditioner, primer, accessory, flashing, coating, caulking or sealant used in connection with such a system.

#### **EXCLUSION—TOBACCO OR NICOTINE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **PROVISIONS**

 The following exclusion is added to Paragraph 2., Exclusions, of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

#### **Tobacco Or Nicotine**

"Bodily injury" or "property damage" arising out of the:

- (1) Sale, manufacture, handling, distribution, marketing or advertising of; or
- (2) Actual, alleged or threatened absorption, consumption, ingestion, inhalation or use of, or exposure to,

any "tobacco or tobacco product" or "nicotine or nicotine product".

This exclusion applies to all such "bodily injury" or "property damage", regardless of whether such "bodily injury" or "property damage" is included in the "products-completed operations hazard".

2. The following exclusion is added to Paragraph 2., Exclusions, of SECTION I – COVERAGES – COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY:

#### **Tobacco Or Nicotine**

"Personal injury" or "advertising injury" arising out of the:

- (1) Sale, manufacture, handling, distribution, marketing or advertising of; or
- (2) Actual, alleged or threatened absorption, consumption, ingestion, inhalation or use of, or exposure to,

any "tobacco or tobacco product" or "nicotine or nicotine product".

The following is added to the **DEFINITIONS** Section:

"Nicotine or nicotine product":

- a. Means:
  - (1) Natural or synthetic nicotine, in any form; or
  - (2) Any good or product that contains natural or synthetic nicotine.
- **b.** Includes:
  - Any material, substance, ingredient or element on, in or part of natural or synthetic nicotine;
  - (2) Any smoke, vapor, soot, fume or other substance that results from natural or synthetic nicotine, or from any good or product that contains natural or synthetic nicotine:
  - (3) Any filter, paper, tip, wrapper or other part of any good or product containing natural or synthetic nicotine;
  - (4) Any device used for the absorption, consumption, ingestion, inhalation or delivery of natural or synthetic nicotine, or any container, material, part, equipment or accessory furnished in connection with such device;
  - (5) Any warranty or representation made at any time with respect to the fitness, quality, durability, performance or use of natural or synthetic nicotine, or with respect to any good or product that contains natural or synthetic nicotine; or
  - (6) The providing of or failure to provide warnings or instructions with respect to natural or synthetic nicotine, or with respect to any good or product that contains natural or synthetic nicotine.

CG D2 26 06 15

#### "Tobacco or tobacco product":

- a. Means:
  - (1) Any type of tobacco, in any form; or
  - (2) Any good or product that contains tobacco.
- **b.** Includes:
  - (1) Any material, substance, ingredient or element on, in or part of tobacco;
  - (2) Any smoke, vapor, soot, fume or other substance that results from tobacco, or from any good or product that contains tobacco;
  - (3) Any filter, paper, tip, wrapper or other part of any good or product containing tobacco;

- (4) Any device used for the absorption, consumption, ingestion, inhalation or delivery of tobacco, or any container, material, part, equipment or accessory furnished in connection with such device;
- (5) Any warranty or representation made at any time with respect to the fitness, quality, durability, performance or use of tobacco, or with respect to any good or product that contains tobacco; or
- (6) The providing of or failure to provide warnings or instructions with respect to tobacco, or with respect to any good or product that contains tobacco.

#### **EXCLUSION – SILICA OR SILICA-RELATED DUST**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **PROVISIONS**

 The following exclusion is added to Paragraph 2., Exclusions, of SECTION I — COVERAGES — COVERAGE A BODILY INJURY AND PROP-ERTY DAMAGE LIABILITY:

#### Silica Or Silica-Related Dust

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, emission, release, escape, handling, contact with, exposure to or inhalation or respiration of "silica" or "silica-related dust". This includes, but is not limited to:

- (1) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; and
- (2) Any obligation to share damages with or repay someone else who must pay damages because of such "bodily injury" or "property damage".
- The following exclusion is added to Paragraph 2., Exclusions, of SECTION I — COVERAGES — COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY:

#### Silica Or Silica-Related Dust

"Personal injury" or "advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, emission, release, escape, handling, contact with, exposure to or inhalation or respiration of "silica" or "silica-related dust". This includes, but is not limited to:

- (1) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; and
- (2) Any obligation to share damages with or repay someone else who must pay damages because of such injury.
- 3. The following is added to the **DEFINITIONS** Section:

"Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

"Silica-related dust" means a mixture or combination of "silica" and other dust or particles.

#### **EXCLUSION – AIRCRAFT PRODUCTS AND GROUNDING**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

#### **PROVISIONS**

 The following exclusion is added to Paragraph 2., Exclusions, of either SECTION I – COVER-AGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY or SECTION I – COVERAGES – PRODUCTS/COMPLETED OPERATIONS BODILY INJURY AND PROPERTY DAMAGE LIABILITY, whichever section is included in the Coverage Part:

#### **Aircraft Products And Grounding**

"Bodily injury" or "property damage" included within the "products-completed operations hazard" and arising out of any "aircraft product" or the "grounding" of any aircraft.

The following is added to the **DEFINITIONS** Section:

"Aircraft product" means:

- a. Aircraft, including missile or spacecraft, and any ground support or control equipment used with any aircraft, missile or spacecraft;
- b. Any of "your products" manufactured for, used in connection with, or incorporated into aircraft, aircraft parts, aircraft equipment or aircraft accessories, including ground handling tools and equipment;

- **c.** Any of "your products" used for the purpose of guidance, navigation or direction of aircraft, whether an aircraft is in flight or on the ground; or
- **d.** Training aids, navigation charts, navigation aids, manuals, blueprints, engineering or other data or advice, services and labor relating to such aircraft or products.

"Grounding" means the withdrawal of one or more aircraft from flight operations or the imposition of speed, passenger or load restrictions on such aircraft, by reason of the actual, alleged or suspected existence of any defect, fault or condition in such aircraft or any part thereof:

- a. Sold, handled or distributed by the insured; or
- **b.** Manufactured, assembled or processed by any other person or organization:
  - According to specifications, plans, suggestions, orders or drawings of the insured; or
  - (2) With tools, machinery or other equipment furnished to such persons or organizations by the insured:

whether such aircraft so withdrawn or restricted are owned or operated by the same or different persons or organizations.

### WASHINGTON CHANGES – EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### **PROVISIONS**

 The following is added to Exclusion t., Employment-Related Practices, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

However, Paragraphs (1)(a) and (b) of this exclusion do not apply if such "bodily injury" is sustained by any "employee" of the insured whose employment is subject to the Industrial Insurance Act of Washington (Washington Revised Code Title 51).

2. The following is added to Exclusion s., Employment-Related Practices, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY:

However, Paragraphs (1)(a) and (b) of this exclusion do not apply if such "personal injury" is sustained by any "employee" of the insured whose employment is subject to the Industrial Insurance Act of Washington (Washington Revised Code Title 51).

#### **WASHINGTON CHANGES – WHO IS AN INSURED**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Paragraphs 2.a.(1)(a), (b) and (c) of Section II – Who Is An Insured apply only to "employees" of the insured whose employment is not subject to the Industrial Insurance Act of Washington (Washington Revised Code Title 51).

With respect to "employees" of the insured whose employment is subject to the Industrial Insurance Act of Washington, the reference to "volunteer workers" is removed from Paragraph 2.(a) of Section II – Who Is An Insured and Paragraph 2.a.(1) of Section II – Who Is An Insured is replaced with the following:

- 2. Each of the following is also an insured:
  - a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to

the conduct of your business. However, none of these "employees" is an insured for:

- (1) "Bodily injury" or "personal injury":
  - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
  - (b) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) above; or
  - (c) Arising out of his or her providing or failing to provide professional health care services.

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### WASHINGTON – FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage:

#### 2. Exclusions

This insurance does not apply to:

#### **Fungi or Bacteria**

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents.
- **b.** Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for consumption.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

#### 2. Exclusions

This insurance does not apply to:

#### **Fungi or Bacteria**

- a. "Personal injury" or "advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.
- C. The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

# EMPLOYEE BENEFITS LIABILITY

# **EMPLOYEE BENEFITS LIABILITY**



One Tower Square, Hartford, Connecticut 06183

EMPLOYEE BENEFITS LIABILITY COVERAGE PART DECLARATIONS

POLICY NO.: Y-630-9N857616-COF-19 ISSUE DATE: 11-11-19

**INSURING COMPANY:** 

THE CHARTER OAK FIRE INSURANCE COMPANY

**DECLARATIONS PERIOD:** From 10-31-19 to 10-31-20 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Employee Benefits Liability Coverage Part consists of these Declarations and the Coverage Form shown below.

#### 1. COVERAGE AND LIMITS OF INSURANCE

**Employee Benefits Liability** 

Coverage Form

Aggregate Limit

\$ 2,000,000

Each Employee Limit

\$ 1,000,000

2. AUDIT PERIOD: ANNUAL

3. FORM OF BUSINESS: CORPORATION

4. RETROACTIVE DATE:

This insurance does not apply to negligent acts, errors or omissions which occurred before the Retroactive Date, if any shown below.

Retroactive Date: 01-27-2014

5. EMPLOYEE BENEFIT PROGRAMS OTHER THAN THOSE LISTED IN SECTION VII-DEFINITIONS:

Rate

6. DEDUCTIBLE:

\$ NONE EACH EMPLOYEE

7. PREMIUM COMPUTATION:

Estimated No. of Employees	Per Employee	Estimated Premium		 Minimum Premium	
16		\$	300	\$ 300	

8. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

CG T0 09 09 93 Page 1 of 1

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#### **TABLE OF CONTENTS**

### **EMPLOYEE BENEFITS LIABILITY COVERAGE FORM**

Beginning on Page

#### SECTION I - EMPLOYEE BENEFITS LIABILITY COVERAGE

Insuring Agreement	. 1
Exclusions	2
Supplementary Payments	. 3
SECTION II - WHO IS AN INSURED	. 3
SECTION III - LIMITS OF INSURANCE	. 4
SECTION IV - DEDUCTIBLE	. 4
SECTION V - EMPLOYEE BENEFITS LIABILITY CONDITIONS	5
Bankruptcy	
Duties in The Event of Act, Error or Omission, Claim Or Suit	
Legal Action Against Us	
Other Insurance	
Premium Audit	
RepresentationsSeparation of Insureds	
Transfer of Rights of Recovery Against Others To Us	
When We Do Not Renew	
Cancellation, Non-renewal And Renewal Conditions Applicable to Commercial General Liability Coverage Part	
SECTION VI - EXTENDED REPORTING PERIODS	7
SECTION VII - DEFINITIONS	8

### **EMPLOYEE BENEFITS LIABILITY COVERAGE FORM**

# THIS INSURANCE PROVIDES CLAIMS-MADE COVERAGE. PLEASE READ THE ENTIRE FORM CAREFULLY.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations and any other person or organization qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section VII - Definitions.

### SECTION I - EMPLOYEE BENEFITS LIABILITY COVERAGE

#### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of loss to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for loss to which this insurance does not apply. We may, at our discretion, investigate any negligent act, error or omission and settle any claim or "suit" that may result: But:
  - (1) The amount we will pay for damages is limited as described in Section III Limits Of Insurance: and
  - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- **b.** This insurance applies to loss only if:
  - (1) The loss is caused by a negligent act, error or omission committed by the insured, or by any other person for whose acts the insured is legally liable, in the "administration" of your "employee benefit program";
  - (2) The negligent act, error or omission is committed in the "coverage territory";

- (3) The negligent act, error or omission was committed on or after the Retroactive Date, if any, shown in the Declarations of this Coverage Part and before the end of the policy period; and
- (4) A claim or "suit" for damages because of the loss is first made or brought against any insured, in accordance with Paragraph e. below, during the policy period or any Extended Reporting Period we provide under Section VI – Extended Reporting Periods.
- c. Each negligent act, error or omission in a series of related negligent acts, errors or omissions will be deemed to have been committed on the date the first such negligent act, error or omission in that series is committed.
- **d.** If the Retroactive Date is left blank in the Declarations of this Coverage Part, the Retroactive Date will be deemed to be the first day of the policy period.
- **e.** A claim or "suit" seeking damages will be deemed to have been first made or brought at the earlier of the following times:
  - (1) When we or any insured first receives written notice of such claim or "suit", whichever comes first: or
  - (2) When we first receive written notice from any insured of a specific negligent act, error or omission that caused the loss which resulted in such claim or "suit".

All claims or "suits" that seek damages because of loss sustained by any one "employee", including the "employee's" dependents and beneficiaries, will be deemed

CG T1 01 01 16

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Page 1 of 9

to have been first made or brought at the time the first of those claims or "suits" is made or brought against any insured.

- f. A claim or "suit" that seeks damages will be deemed to have been first made or brought at the time we receive written notice from any insured of a specific negligent act, error or omission only if that notice contains all of the following information:
  - (1) How, when and where the negligent act, error or omission was committed;
  - (2) A description of what happened;
  - (3) A description of what damages may result;
  - (4) The identity of the person or organization that may make a claim or bring a "suit"; and
  - (5) The identity of each insured that committed the negligent act, error or omission.

Notice to us that any insured may in the future receive written notice of a negligent act, error or omission, claim or "suit" is not notice of a specific negligent act, error or omission.

#### 2. Exclusions

This insurance does not apply to:

#### a. Criminal, Dishonest, Fraudulent Or Malicious Acts

Loss arising out of any criminal, dishonest, fraudulent, or malicious act, error or omission committed by any insured, including the willful or reckless violation of any law or regulation.

#### b. Injury Or Damage

"Bodily injury", "property damage", "personal injury" or "advertising injury."

#### c. Failure To Perform A Contract

Loss arising out of failure of performance of contract by any insurer.

#### d. Insufficiency Of Funds

Loss arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

#### e. Inadequacy Of Performance Of Investment Or Advice Given With Respect To Participation

Any daim or "suit" based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or
- (3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

#### f. Workers' Compensation And Similar Laws

Loss arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

#### q. ERISA

Loss for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as amended, or by any similar federal, state or local laws.

#### h. Available Benefits

Loss of benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

#### i. Taxes, Fines Or Penalties

- (1) Any taxes, fines, or penalties, including those imposed under any provision of the Internal Revenue Code of 1986, as amended, or any similar state or local law; or
- (2) Any loss, cost or expense arising out of the imposition of such taxes, fines or penalties.

#### j. Employment-Related Practices

Loss to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - **(b)** Termination of that person's employment; or
  - (c) Employment-related practice or policy, such as coercion, demotion, reassignment, discipline, failure to promote or advance, harassment, humiliation, discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest, detention or

CG T1 01 01 16

imprisonment applied to or directed at that person, regardless of whether such practice or policy occurs, is applied or is committed before, during or after the time of that person's employment; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of loss to that person at whom any of the employment-related practices or policies described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the loss.

#### Access Or Disclosure Of Confidential Or Personal Information

Loss arising out of any access or disclosure of any person's or organization's confidential or personal information.

#### 3. Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$500 a day because of time off from work.
- d. All costs taxed against the insured in the "suit."
- e. Pre-judgment interest awarded against the insured on that part of the judgment we pay. If we made an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or

deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

#### SECTION II - WHO IS AN INSURED

- 1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are also insureds, but only with respect to their liability as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- 2. Each of the following is also an insured:
  - a. Each of your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), who is or was authorized to administer your "employee benefit program."
  - b. Any person or organization having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.
  - **c.** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership

CG T1 01 01 16

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or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire, or form the organization or the end of the policy period, whichever is earlier:
- **b.** Coverage under this provision does not apply to any negligent act, error or omission that was committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership, joint venture or limited liability company that otherwise qualifies as an insured under Section II – Who Is An Insured.

#### SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - **b.** Claims made or "suits" brought;
  - **c.** Persons or organizations making claims or bringing "suits";
  - **d.** Acts, errors or omissions; or
  - **e.** Benefits included in your "employee benefit program".
- 2. The Aggregate Limit is the most we will pay for all damages because of all negligent acts, errors or omissions committed in the "administration" of your "employee benefit program."
- 3. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, because of all negligent acts, errors or omissions committed in the "administration" of your "employee benefit program".

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that

case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### **SECTION IV – DEDUCTIBLE**

- The Deductible shown in the Declarations and the rules below fix the amount of damages incurred by, or on behalf of, you or any insured that you will be responsible for paying, regardless of the number of:
  - a. Insureds:
  - **b.** Claims made or "suits" brought;
  - **c.** Persons or organizations making claims or bringing "suits";
  - d. Acts, errors or omissions; or
  - **e.** Benefits included in your "employee benefit program".

If no amount is shown for the Deductible in the Declarations, the Deductible does not apply to this Coverage Part.

- 2. The Deductible applies to all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, because of all negligent acts, errors or omissions committed in the "administration" of your "employee benefit program".
- **3.** The Limits of Insurance will not be reduced by the amount of damages within the deductible amount.
- **4.** The terms of this policy, including those with respect to:
  - **a.** Our right and duty with respect to the defense of "suits"; and
  - **b.** Your duties in the event of an act, error or omission, claim or suit;

apply irrespective of the application of the deductible amount.

5. If we settle a claim or "suit" for damages, or pay a judgment for damages awarded in a "suit", that are subject to a deductible, we may pay any part or all of the deductible amount. You will promptly reimburse us for such part of the deductible amount as we have paid.

## SECTION V - EMPLOYEE BENEFITS LIABILITY CONDITIONS

#### 1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

CG T1 01 01 16

### 2. Duties In The Event Of Act, Error Or Omission, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a claim. To the extent possible, notice should include:
  - (1) What the act, error or omission was and when it was committed; and
  - (2) The names and addresses of any "employees" who may suffer loss caused by the act, error or omission.
- **b.** If a claim is made or "suit" is brought by any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- **c.** You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or a "suit";
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of loss to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
- e. The following provisions apply to Paragraph a. above, but only for purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II Who Is An Insured:
  - (1) Notice to us of such act, error or omission must be given as soon as practicable only after the act, error or omission is known to you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint

- venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture, or limited liability company), any of your trustees who is an individual (if you are a trust) or any "employee" authorized by you to give notice of an act, error or omission.
- (2) If you are a partnership, joint venture, limited liability company or trust, and none of your partners, joint venture members, managers or trustees are individuals, notice to us of such act, error or omission must be given as soon as practicable only after the act, error or omission is known by:
  - (a) Any individual who is:
    - (i) A lawfully elected or appointed official, executive officer or director of any public entity;
    - (ii) A partner or member of any partnership or joint venture;
    - (iii) A manager of any limited liability company;
    - (iv) An executive officer or director of any other organization; or
    - (v) A trustee of any trust;

that is your partner, joint venture member, manager or trustee; or

**(b)** Any "employee" authorized by such partnership, joint venture, limited liability company, trust or other organization to give notice of an act, error or omission.

#### 3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that

CG T1 01 01 16

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Page 5 of 9

are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

#### 4. Other Insurance

If valid and collectible other insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as described in Paragraphs **a.** and **b.** below.

As used anywhere in this Coverage Part, other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:

- (i) Another insurance company;
- (ii) Us or any of our affiliated insurance companies;
- (iii) Any risk retention group; or
- (iv) Any self-insurance method or program, in which case the insured will be deemed to be the provider of other insurance.

Other insurance does not include umbrella insurance, or excess insurance, that was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations.

As used anywhere in this Coverage Part, other insurer means a provider of other insurance. As used in Paragraph **b.** below, insurer means a provider of insurance.

#### a. Primary Insurance

This insurance is primary. If any of the other insurance is also primary, we will share with all that other insurance by the method described in Paragraph **b.** below.

#### b. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

#### 5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

#### 6. Representations

By accepting this policy, you agree:

- **a.** The statements in the Declarations are accurate and complete;
- **b.** Those statements are based upon representations you made to us; and
- **c.** We have issued this policy in reliance upon your representations.

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or renewal in accordance with applicable insurance laws or regulations.

#### 7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- As if each Named Insured were the only Named Insured; and
- **b.** Separately to each insured against whom claim is made or "suit" is brought.

### 8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage

CG T1 01 01 16

Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

#### 9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

# 10. Cancellation, Nonrenewal And Renewal Conditions Applicable To Commercial General Liability Coverage Part

All conditions relating to cancellation, nonrenewal or renewal that are included in any endorsement applicable to the Commercial General Liability Coverage Part attached to this policy also apply to this Coverage Part.

#### SECTION VI – EXTENDED REPORTING PERIODS

- **1.** We will provide one or more Extended Reporting Periods, as described below, if:
  - **a.** This Coverage Part is cancelled or not renewed for any reason; or
  - **b.** We renew or replace this Coverage Part with insurance that has a Retroactive Date later than the date shown in the Declarations.
- 2. The Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They only apply to claims or "suits" for loss caused by a negligent act, error or omission committed on or after the Retroactive Date shown in the Declarations and before the end of the policy period.

Once in effect, Extended Reporting Periods may not be canceled.

 A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for 90 days.

The Basic Extended Reporting Period does not apply to claims or "suits" for loss covered under subsequent insurance you purchase, or that would be covered under such insurance but for the exhaustion of its applicable limit of insurance.

The Basic Extended Reporting Period does not reinstate or increase the limits of insurance.

4. A Supplemental Extended Reporting Period is available, but only by an endorsement and for an extra charge. This supplemental period starts with the end of the policy period and lasts for three years or an unlimited period of time, as set forth in the Supplemental Extended Reporting Period Endorsement. This supplemental period replaces the Basic Extended Reporting Period.

This Supplemental Extended Reporting Period will not go into effect unless we receive all of the following within 90 days after the end of the policy period and you have fulfilled all other duties, and complied with all other conditions and requirements, under this policy:

- **a.** A written request from you to purchase the Supplemental Extended Reporting Period;
- **b.** Full payment of the earned premium for this policy;
- c. Payment of the additional premium for the Supplemental Extended Reporting Period Endorsement; and
- **d.** Repayment of any deductible you owe us under this Coverage Part.

We will determine the additional premium for that endorsement in accordance with our rules and rates. The additional premium for the Supplemental Extended Reporting Period Endorsement will not exceed 200% of the annual premium for this policy.

This endorsement will set forth the terms, not inconsistent with this Section VI - Extended applicable Reporting Periods, to the Extended Supplemental Reporting Period, including a provision to the effect that the insurance afforded for claims or "suits" first made or brought against any insured during such period is excess over any valid and collectible other insurance available under insurance in force after the Supplemental Extended Reporting Period starts.

The Supplemental Extended Reporting Period does not reinstate or increase the limits of insurance.

#### SECTION VII - DEFINITIONS

- 1. "Administration" means:
  - a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of the "employee benefit program";

CG T1 01 01 16

Page 7 of 9

- **b.** Handling records in connection with the "employee benefit program"; or
- **c.** Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program."

However, "administration" does not include handling payroll deductions.

- 2. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- 3. "Advertising injury":
  - a. Means injury, other than "personal injury", caused by one or more of the following offenses:
    - (1) Oral or written publication, including publication by electronic means, of material in your "advertisement" that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged;
    - (2) Oral or written publication, including publication by electronic means, of material in your "advertisement" that:
      - (a) Appropriates a person's name, voice, photograph or likeness; or
      - **(b)** Unreasonably places a person in a false light; or
    - (3) Infringement of copyright, "title" or "slogan" in your "advertisement", provided that the claim is made or the "suit" is brought by a person or organization that claims ownership of such copyright, "title" or "slogan".

- b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph a. above.
- 4. "Bodily injury":
  - **a.** Means any harm, including sickness or disease, to the health of a person.
  - Includes mental anguish, injury or illness, or emotional distress.
- **5.** "Cafeteria plan" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.
- 6. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico or Canada, provided that the insured's responsibility to pay damages is determined in a "suit" on the merits in the United States of America (including its territories and possessions), Puerto Rico or Canada, or in a settlement we agree to.
- 7. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- **8.** "Employee benefit program":
  - a. Means a program providing some or all of the following benefits to your "employees", whether provided through a "cafeteria plan" or otherwise:
    - (1) Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts, provided that no one other than your "employee" may subscribe to such benefits and such benefits are made generally available to all of those "employees" who satisfy the plan's eligibility requirements;
    - (2) Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than your "employee" may subscribe to such benefits and such benefits are made generally available to all of those "employees" who are eligible under the plan for such benefits;
    - (3) Unemployment insurance, social security benefits, workers' compensation and disability benefits;

CG T1 01 01 16

- (4) Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
- (5) Any other similar benefits designated in the Declarations or added thereto by endorsement.
- b. Does not include any benefit plan or program described in Paragraph a. above that is selfinsured.
- "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
- 10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- 11. "Personal injury":
  - a. Means injury, other than "advertising injury", caused by one or more of the following offenses:
    - (1) False arrest, detention or imprisonment;
    - (2) Malicious prosecution;
    - (3) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is committed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
    - (4) Oral or written publication, including publication by electronic means, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the "suit" is brought by a person or organization that claims to have been slandered or libeled, or that claims to

- have had its goods, products or services disparaged; or
- (5) Oral or written publication, including publication by electronic means, of material that:
  - (a) Appropriates a person's name, voice, photograph or likeness; or
  - **(b)** Unreasonably places a person in a false light.
- b. Includes "bodily injury" caused by one or more of the offenses described in Paragraph
   a. above.
- **12.** "Property damage" means:
  - **a.** Physical injury to tangible property, including all resulting loss of use of that property; or
  - **b.** Loss of use of tangible property that is not physically injured.
- 13. "Slogan":
  - a. Means a phrase that others use for the purpose of attracting attention in their advertising.
  - **b.** Does not include a phrase used as, or in, the name of:
    - (1) Any person or organization, other than you; or
    - **(2)** Any business, or any of the premises, goods, products, services or work, of any person or organization, other than you.
- 14. "Suit" means a civil proceeding in which damages because of loss to which this insurance applies are alleged. "Suit" includes:
  - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or submits with our consent; or
  - **b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- 15. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or shortterm workload conditions.
- **16.** "Title" means a name of a literary or artistic work.

### **COMMERCIAL INLAND MARINE**





One Tower Square, Hartford, Connecticut 06183

POLICY NUMBER: Y-630-9N857616-COF-19

## COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

**INSURING COMPANY:** 

THE CHARTER OAK FIRE INSURANCE COMPANY

Declarations Period: From 10-31-19 to 10-31-20 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

#### I. COVERED PROPERTY AND LIMITS OF INSURANCE

#### IM PAK COVERAGE

**ISSUE DATE**: 11-11-19

"CONTRACTORS EQUIPMENT"		
COVERED ITEMS Listed Items: Unlisted Items: Not To Exceed: Leased or Rented Items:	LIMITS OF INSU No Coverage \$ 1,000 \$ 2,500 \$ 50,000	
COVERAGE EXTENSIONS  Newly Acquired "Contractors Equipment":  "Replacement Items"  Rental Cost:  Loss to any one "Replacement Item":		per item per item
"Maximum Amount of Payment":	\$ 51,000	
"Flood Limit of Insurance": "Flood Annual Aggregate Limit of Insurance": "Earth Movement Limit of Insurance": "Earth Movement Annual Aggregate Limit of Insurance":	No Coverage Not Applicable No Coverage Not Applicable	
"INSTALLATION" The property installed consists primarily of:		
the property installed consists primarily or.		
	- 4-	
LOCATION, DESCRIPTION AND COINSURANCE PERCENT	AGE	
"Job	iption	Coinsurance Percentage 10%
"Job site" Descr	iption	Percentage
"Job site" Descr VARIO	iption US \$ 1,000,000	Percentage 10%
"Job site" Descr 1 VARIO  LIMITS OF INSURANCE "Job site": 1  "Basic Limit of Insurance": "Earth Movement Limit of Insurance": "Earth Movement Annual Aggregate Limit of Insurance": "Flood Limit of Insurance": "Flood Annual Aggregate	iption US  \$ 1,000,000 No Coverage Not Applicable No Coverage Not Applicable	Percentage 10%

35286

4 TRAVELERS DOC MGMT 169 of 237 Page 169

199

OFFICE: SEATTLE

PRODUCER: HUB INTL NORTHWEST LLC

Order # CM A0 28 08 96



One Tower Square, Hartford, Connecticut 06183

POLICY NUMBER: Y-630-9N857616-COF-19

**ISSUE DATE:** 11-11-19

## COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

INSURING COMPANY:

THE CHARTER OAK FIRE INSURANCE COMPANY

Declarations Period: From 10-31-19 to 10-31-20 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial Inland Marine Coverage Part consists of these Declarations, the Commercial Inland Marine Conditions Form and the Coverage Forms shown below.

#### I. COVERED PROPERTY AND LIMITS OF INSURANCE CONTINUED

Transit Limit of Insurance: "Maximum Amount of Payment":	\$ \$	150,000 1,000,000
II. DEDUCTIBLE		
"CONTRACTORS EQUIPMENT" "Basic Deductible": "Windstorm Deductible":	នុន	1,000 1,000
"INSTALLATION" "Job site": 1		
"Basic Deductible":	\$	1,000

#### III. PREMIUM SUMMARY

The policy premium includes the premiums shown below. Deposit Premiums are subject to adjustment as specified in the Reporting Provisions.

	REPORTING PROVISIONS	Premium	
"CONTRACTORS EQUIPMENT"	Not Applicable	\$	1,648
"INSTALLATION"	Not Applicable	\$	390
	PREMIUM:	\$	2,038

NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

**CM T0 01 07 86**Order # CM A0 28 08 96

PRODUCER: HUB INTL NORTHWEST LLC 35286 OFFICE: SEATTLE 199

2 (END)

COMMERCIAL INLAND MARINE ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

## IM PAK® COVERAGE SUMMARY

This Coverage Part covers the following:

"Installation"

This Coverage Part Includes the following coverage form:

IM PAK<sup>®</sup> COVERAGE FORM IZ 020 06 0462 0654 0682

This Coverage Part includes the following modifiers:

0462 Exception to IL T3 55 Date-Related Loss Excl
0654 Programming Errors F

0682 Specified Collapse Exclusion-IS

CM T3 71 08 96 Page 1 of 1

<sup>&</sup>quot;Contractors Equipment"

#### **TABLE OF CONTENTS**

### COMMERCIAL INLAND MARINE COVERAGE PART

The following indicates the contents of the principal forms which may be attached to your policy.

It contains no reference to the Declarations or Endorsements which also may be attached.

**Beginning on Page** 

#### COMMERCIAL INLAND MARINE CONDITIONS **Loss Conditions** A. Abandonment \_\_\_\_\_ B. Appraisal C. Duties In The Event Of Loss \_\_\_\_\_ D. Insurance Under Two Or More Coverages\_\_\_\_\_ E. Loss Payment \_\_\_\_\_ F. Other Insurance \_\_\_\_\_ G. Pair, Sets Or Parts 2 H. Recovered Property 1. Reinstatement Of Limit After Loss 2 Transfer Of Rights Of Recovery Against Others To Us **General Conditions** A. Concealment, Misrepresentation Or Fraud 2 B. Control Of Property 2 C. Legal Action Against Us \_\_\_\_\_ 2 D. No Benefit To Bailee \_\_\_\_ E. Policy Period, Coverage Territory 3 F. Valuation \_\_\_\_\_ INLAND MARINE COVERAGE FORM(S) A. Coverage Covered Property 2. Property Not Covered \_\_\_\_\_\_ Page 3. Covered Causes Of Loss 4. Additional Coverage – Collapse (If Applicable) No. 5. Coverage Extensions (If Any) Varies B. Exclusions C. Limits of Insurance By D. Deductible E. Additional Conditions Form

CM T0 11 08 05 Page 1 of 1

### COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

#### LOSS CONDITIONS

#### A. Abandonment

There can be no abandonment of any property to us.

#### B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- 1. Pay its chosen appraiser; and
- **2.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

#### C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

- Notify the police if a law may have been broken.
- **2.** Give us prompt notice of the loss or damage. Include a description of the property involved.
- As soon as possible, give us a description of how, when and where the loss or damage occurred.
- 4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible,

- set the damaged property aside and in the best possible order for examination.
- You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
- 6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
  - Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- 7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- **8.** Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- **9.** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
- **10.** Cooperate with us in the investigation or settlement of the claim.

#### D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

#### E. Loss Payment

- 1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- **2.** We will not pay you more than your financial interest in the Covered Property.
- We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than

CM 00 01 09 04 Page 1 of 3

#### COMMERCIAL INLAND MARINE

their financial interest in the Covered Property.

- **4.** We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- **5.** We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
  - **a.** We have reached agreement with you on the amount of the loss; or
  - **b.** An appraisal award has been made.
- **6.** We will not be liable for any part of a loss that has been paid or made good by others.

#### F. Other Insurance

- You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- 2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

#### G. Pair, Sets Or Parts

#### 1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- **b.** Pay the difference between the value of the pair or set before and after the loss or damage.

#### 2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

#### H. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

#### I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

#### J. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- **1.** Prior to a loss to your Covered Property.
- **2.** After a loss to your Covered Property only if, at time of loss, that party is one of the following:
  - a. Someone insured by this insurance; or
  - **b.** A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you.

This will not restrict your insurance.

#### **GENERAL CONDITIONS**

#### A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

- 1. This Coverage Part;
- 2. The Covered Property;
- 3. Your interest in the Covered Property; or
- 4. A claim under this Coverage Part.

Page 2 of 3 CM 00 01 09 04

#### COMMERCIAL INLAND MARINE

#### **B.** Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

#### C. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

- 1. There has been full compliance with all the terms of this Coverage Part; and
- The action is brought within 2 years after you first have knowledge of the direct loss or damage.

#### D. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

#### E. Policy Period, Coverage Territory

We cover loss or damage commencing:

- During the policy period shown in the Declarations; and
- 2. Within the coverage territory.

#### F. Valuation

The value of property will be the least of the following amounts:

- 1. The actual cash value of that property;
- The cost of reasonably restoring that property to its condition immediately before loss or damage; or
- **3.** The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

CM 00 01 09 04 Page 3 of 3

COMMERCIAL INLAND MARINE ISSUE DATE: 11-11-19

TRANSACTION EFFECTIVE DATE: 10-31-19

POLICY NUMBER: Y-630-9N857616-COF-19

# IM PAK® COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F - DEFINITIONS.

ENDORSEMENT IL T3 55 "EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES DUE TO DATES OR TIMES", IF ATTACHED TO THIS POLICY, DOES NOT APPLY TO THIS IM PAK COVERAGE PART.

#### A. COVERAGE

We will pay for direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss.

#### 1. Covered Property

Covered Property, as used in this Coverage Part, means:

- a. "Contractors Equipment";
- b. "Installation".

#### 2. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE except those causes of loss listed in the Exclusions or for which 'No Coverage' is shown as the applicable Limit of Insurance in the Declarations.

#### 3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

#### a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension is included within and will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.

CM T1 43 08 96 PAGE 1 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 205 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19
POLICY NUMBER:Y-630-9N857616-COF-19 TRANSACTION EFFECTIVE DATE: 10-31-19

#### b. Fire Protective Systems

If your fire protective equipment discharges accidentally or to control a Covered Cause of Loss, we will pay for your expense to:

- (1) Recharge or refill your fire protective systems; and
- (2) Replace or repair faulty valves or controls which caused the discharge.

The most we will pay in any one loss or damage under this extension is \$75,000.

#### c. Construction Equipment, Landscaping and Signs

- (1) We will pay up to the applicable "Basic Limit of Insurance" for loss of or damage to fencing, cribbing, scaffolds, construction forms and office trailers and their "contents" used at the "job site".
- (2) We will pay for trees, plants, shrubs, lawns, and signs located at the "job site". We will only cover loss of or damage to this property that is caused by or results from fire, lightning, explosion, riot, civil commotion, aircraft, vandalism, theft, vehicles, "sinkhole collapse", or "volcanic action".

The most we will pay for loss of or damage to this property is:

- (a) The "Basic Limit of Insurance" for the "job site" shown in the Declarations for the value of such property included in the "Basic Limit of Insurance" for the "job site" shown in the Declarations.
- (b) \$10,000 for the value of such property not included in the "Basic Limit of Insurance" for the "job site" shown in the Declarations.

Any payment under this Coverage Extension is included within and will not increase the applicable "Basic Limit of Insurance".

#### d. Valuable Papers and Records

We will pay your costs to research, replace, or restore lost or damaged valuable papers and records, including those which are on computer software, for which there are no duplicates. The most we will pay for loss of or damage to this property is \$50,000.

But we will not pay for loss of or damage to accounts, bills, deeds, evidences of debt, currency, money, notes or securities.

#### e. "Replacement Items"

- (1) Rental Costs: We will pay your necessary costs to rent "replacement items". Coverage will start 24 hours after you report the loss or damage to us, and will end when one of the following first occurs:
  - (a) Your "Contractors Equipment" to which the loss or damage occurred is repaired or replaced;
  - (b) The "replacement item" is no longer needed.

The most we will pay for your Rental Costs is the applicable Limit of Insurance shown in the Declarations.

CM T1 43 08 96 PAGE 2 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 206 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

(2) Loss Of or Damage To "Replacement Items": We will pay for loss of or damage to "replacement items" caused by or resulting from a Covered Cause of Loss. Coverage will start when you assume liability for "replacement items", and will end when your Rental Costs coverage for your "Contractors Equipment" to which the loss or damage occurred ends. We will also pay for loss or damage while "replacement items" are in transit to or from the owner if you are liable for the item at the time of loss or damage.

The most we will pay in any one loss of or damage to "replacement items" is the applicable Limit of Insurance shown in the Declarations.

#### 4. Additional Coverages

#### a. Ordinance or Law

- (1) In the event of loss of or damage to "Installation" from any of the Covered Causes of Loss we will pay:
  - (a) For loss or damage caused by any enforcement of any ordinance or law that:
    - Requires the demolition of parts of the same Covered Property not damaged by a Covered Cause of Loss;
    - (ii) Regulates the construction, or repair of buildings, or establishes zoning or land use requirements at the "job site"; and
    - (iii) Is in force at the time of loss or damage.
  - (b) The increased cost to repair, rebuild or construct Covered Property caused by enforcement of building, zoning or land use ordinance or law. If the Covered Property is repaired or rebuilt, it must be intended for similar occupancy as the current Covered Property, unless otherwise required by zoning or land use ordinance or law.
  - (c) The cost to demolish and clear the "job site" of undamaged parts of the Covered Property caused by enforcement of the building, zoning or land use ordinance or law.
- (2) We will not pay for increased costs under this Additional Coverage:
  - (a) Until the Covered Property is actually repaired or replaced, at the same "job site" or elsewhere; and
  - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed 2 years. We may extend this period in writing during the 2 years.
- (3) We will not pay under this Additional Coverage for costs associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
- (4) The most we will pay under this Additional Coverage is:
  - (a) If the Covered Property is repaired or replaced at the same "job site", the amount you actually spend to:
    - (i) Demolish and clear the "job site"; and

CM T1 43 08 96 PAGE 3 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 207 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

- (ii) The increased cost to repair, rebuild or construct the Covered Property but not for more than property of the same height, floor area and style at the same "job site".
- (b) If the Covered Property is not repaired or replaced at the same "job site":
  - (i) The amount you actually spend to demolish and clear the "job site"; and
  - (ii) The increased cost to replace, at the same "job site", the damaged or destroyed Covered Property with other property:
    - Of comparable material and quality;
    - Of the same height, floor area and style; and
    - Used for the same purpose.

The most we will pay under this Additional Coverage is \$250,000 in any one occurrence.

#### b. Debris Removal

- (1) We will pay for your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of the loss or damage.
- (2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct loss of or damage to Covered Property plus the deductible in this Coverage Part applicable to that loss or damage. Any payment is included within and will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct loss or damage and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to \$75,000 in any one occurrence as an additional amount of insurance.
- (3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.

#### c. Construction Contract Penalty

If your construction contract contains a clause that requires you to pay a penalty as a direct result of a Covered Cause of Loss to "Installation", we will pay up to \$25,000 during each separate 12 month period of this policy for all such expenses.

#### d. Fire Department Service Charge

We will pay your legal liability for Fire Department Service Charges when the fire department is called to save or protect Covered Property from a Covered Cause of Loss.

The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

No deductible applies to this Additional Coverage.

CM T1 43 08 96 PAGE 4 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 208 of 326

COMMERCIAL INLAND MARINE

TRANSACTION EFFECTIVE DATE: 10-31-19

ISSUE DATE: 11-11-19

#### e. Pollutant Clean Up and Removal

POLICY NUMBER: Y-630-9N857616-COF-19

(1) We will pay your expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of the loss or damage.

- (2) This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.
- (3) The most we will pay under this Additional Coverage for:
  - (a) All unlisted locations is \$25,000 for the sum of all such expenses arising out of Covered Cause of Loss occurring during each separate 12 month period of this policy.
  - (b) Each listed location or "job site" is \$25,000 for the sum of all such expenses arising out of Covered Cause of Loss occurring during each separate 12 month period of this policy.

#### f. Expediting Costs and Additional Cost of Construction Materials and Labor

- (1) We will pay for the following costs made necessary by a Covered Cause of Loss to Covered Property at the "job site":
  - (a) Your costs to expedite repair of Covered Property;
  - (b) Your increased cost of construction materials and labor; and
  - (c) Your costs to make changes in construction specifications.

But we will only pay for costs to make changes in construction specifications when:

- (i) The loss or damage by a Covered Cause of Loss results in a total loss to Covered Property; and
- (ii) The costs to make changes in construction specifications are not otherwise covered by the Ordinance or Law Additional Coverage provided under this policy.
- (2) The most we will pay under this Additional Coverage is the least of:
  - (a) 5% of the applicable "Basic Limit of Insurance"; or
  - (b) \$100,000.

#### g. Inventory, Appraisals, and Loss Adjustment Expenses

We will pay the reasonable expenses you incur at our request to assist us in determination of the amount of the covered loss or damage, including the extra wages necessarily incurred by your employees for preparing inventories and other loss or damage information for completion of your proof of loss or damage.

But we will not pay for:

(1) Expenses to prove that the loss or damage is covered;

CM T1 43 08 96 PAGE 5 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 209 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

- (2) Expenses incurred under the Appraisal section of the Commercial Inland Marine Conditions;
- (3) Expenses incurred for examinations under oath, even if required by us;
- (4) Expenses incurred for public adjusters or any legal fees.

The most we will pay for loss or damage under this Additional Coverage is \$5,000.

#### h. "Contractors Equipment" Expediting Expenses

We will pay your actual and reasonable costs resulting from a Covered Cause of Loss to "Contractors Equipment" to expedite repair or replacement of that Covered Property including, but not limited to, overtime, night work, work on public holidays, rapid transportation of people and/or materials, and extra costs of temporary repair.

This Additional Coverage will apply from the date of such loss or damage and for such time reasonably necessary to repair, replace, or rebuild the "Contractors Equipment".

The most we will pay under this Additional Coverage is \$2,500 in any one occurrence involving one or more items of "Contractors Equipment".

#### i. "Expendable Supplies"

We will pay for loss or damage by a Covered Cause of Loss to "expendable supplies" for your "Contractors Equipment".

The most we will pay in any policy period for loss or damage under this Additional Coverage is \$1,000.

#### j. Reward Coverage

We will reimburse you for reward(s) expense you have incurred leading to:

- (1) The successful return of undamaged stolen articles to a law enforcement agency; or
- (2) The arrest and conviction of any person(s) who have damaged or stolen any Covered Property.

We will pay 25% of the covered loss, prior to the application of any Deductible and recovery, up to a maximum of \$2,500 in any one occurrence for the reward payments you make. These reward payments must be documented. The amount payable is in addition to the Limits of Insurance shown in the Declarations.

No Deductible applies to this Additional Coverage.

#### **B. EXCLUSIONS**

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

#### a. Governmental Action

Seizure or destruction of property by order of governmental authority.

CM T1 43 08 96 PAGE 6 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 210 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

#### b. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

#### c. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

#### d. Ordinance or Law

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris,

except to the extent that coverage is provided under the Ordinance or Law Additional Coverage.

This exclusion applies only to "Installation".

#### e. Collapse or Imminent Collapse From "Flood" or "Earth Movement"

- (1) Collapse meaning an abrupt falling down or caving in of a:
  - (a) Building or structure; or
  - (b) Substantial part of a building or structure;

with the result being that such property cannot be occupied for its intended purpose.

- (2) Imminent Collapse meaning a:
  - (a) Building or structure; or
  - (b) Substantial part of a building or structure;

that is in imminent danger of abruptly falling down or caving in or that suffers a substantial impairment of structural integrity with the result being that such property cannot be occupied for its intended purpose.

CM T1 43 08 96 PAGE 7 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 211 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

- (3) This exclusion applies only to property covered as "Installation" when:
  - (a) "Flood" contributes concurrently or in any sequence to the collapse or imminent collapse and "flood" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Flood Limit of Insurance"; or
  - (b) "Earth movement" contributes concurrently or in any sequence to the collapse or imminent collapse and "earth movement" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Earth Movement Limit of Insurance".
- 2. We will not pay for loss or damage caused by or resulting from any of the following:
  - a. Delay, loss of use or loss of market.
  - b. Dishonest or criminal acts by you, any of your partners, directors, trustees or officers:
    - (1) Acting alone or in collusion with others; or
    - (2) Whether or not occurring during the hours of employment.
  - c. Shortage found when taking inventory.
  - d. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".
  - e. Programming errors, including but not limited to:
    - (1) The inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates, times or other data; or
    - (2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems due to the inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates times or other data.

But if loss or damage by "specified causes of loss" results, we will pay for that resulting loss or damage.

We will not pay for repair, replacement or modification of Covered Property to correct any deficiencies or change any features.

- 3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.
  - a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.
  - b. Corrosion, rust or dampness.
  - c. Electrical breakdown or failure.

This exclusion applies only to "Contractors Equipment".

CM T1 43 08 96 PAGE 8 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 212 of 326

COMMERCIAL INLAND MARINE ISSUE DATE: 11-11-19

POLICY NUMBER:Y-630-9N857616-COF-19 TRANSACTION EFFECTIVE DATE: 10-31-19

d. Freezing or overheating.

This exclusion applies only to "Contractors Equipment".

- e. Wear and tear, gradual deterioration.
- f. Repair process or work on Covered Property.

This exclusion applies only to "Contractors Equipment".

- g. Omission in, or faulty, inadequate or defective:
  - (1) Planning, zoning, development, surveying, siting, design or specifications; or
  - (2) Materials, workmanship or maintenance.

This exclusion applies only to "Installation".

h. Settling, cracking, shrinking or expanding.

This exclusion applies only to "Installation".

- i. Weather conditions. But this exclusion only applies if weather conditions contribute concurrently or in sequence with:
  - (1) "Flood", unless an amount is shown under "Flood Limit of Insurance" in the Declarations for the "job site" where the loss or damage occurred;
  - (2) "Earth movement", unless an amount is shown under "Earth Movement Limit of Insurance" in the Declarations for the "job site" where the loss or damage occurred; or
  - (3) Loss or damage excluded in Section B Exclusions parts 1.a., 1.b., 1.c., 1.d. and 1.e.

But this exclusion applies only to "Installation".

#### C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

#### D. DEDUCTIBLE

Loss Or Damage To One Type of Covered Property In Any One Occurrence

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

CM T1 43 08 96 PAGE 9 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 213 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

2. Loss Or Damage To Two Or More Types of Covered Property In Any One Occurrence

We will:

- a. Adjust separately the loss or damage to each type of Covered Property;
- b. Not pay for loss or damage to a type of Covered Property in any one occurrence until the amount of that adjusted loss or damage exceeds the applicable Deductible shown in the Declarations; and
- c. Pay the amount of each adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

If the sum of the applicable "basic deductibles" exceeds the Policy Deductible shown in the Declarations, we will not deduct more than the Policy Deductible in any one occurrence of loss or damage.

If a title for a Deductible appears in quotations in the Declarations, that Deductible has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

The applicable Deductible shown in the Declarations applies to the Coverage Extensions and Additional Coverages unless otherwise stated in the Coverage Extension or Additional Coverage.

#### E. ADDITIONAL COVERAGE CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions.

#### 1. Where Coverage Applies

We cover property that is in:

- a. The United States of America:
- b. Puerto Rico; or
- c. Canada.

But we do not cover property in transit to or from Hawaii or Puerto Rico.

#### 2. Coinsurance

You must maintain minimum limits of insurance on the following types of Covered Property.

a. "Installation"

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the actual cash value of the "Installation" at that "job site", at the time of loss or damage, times the "Installation" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the actual cash value of the "Installation" at that "job site", at the time of loss or damage, times the "Installation" Coinsurance Percentage for that "job site".

This Additional Coverage Condition does not apply when the applicable "Installation" Coinsurance Percentage shown in the Declarations is zero (0).

CM T1 43 08 96 PAGE 10 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 214 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

TRANSACTION EFFECTIVE DATE: 10-31-19

POLICY NUMBER: Y-630-9N857616-COF-19

#### b. "Contractors Equipment"

#### (1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

#### (2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

#### 3. When Coverage for "Installation" Will End

Coverage for "Installation" will end when any one of the following first occurs:

- a. This policy expires or is cancelled; or
- b. Your interest ceases.

#### 4. Valuation

In the event of loss or damage, the value of Covered Property at the time of loss or damage will be determined as follows:

#### a. "Installation"

- (1) The value of Covered Property you own will be the least of the following:
  - (a) The actual cash value of that property, including your labor, reasonable profit and delivery charges:
  - (b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
  - (c) The cost of replacing that property with substantially identical property.
- (2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

#### b. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

CM T1 43 08 96 PAGE 11 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 215 of 326

COMMERCIAL INLAND MARINE ISSUE DATE: 11-11-19

POLICY NUMBER:Y-630-9N857616-COF-19 TRANSACTION EFFECTIVE DATE: 10-31-19

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim:

- (b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or
- (c) The cost of replacing that property with substantially identical property.
- (2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

#### F. DEFINITIONS

1. "Basic Limit of Insurance" means the most we will pay for loss or damage in any one occurrence unless a more specific Limit of Insurance for the applicable loss or damage is shown in the Declarations or elsewhere in the policy.

If a more specific Limit of Insurance for the applicable loss or damage is shown, the "Basic Limit of Insurance" will not apply.

2. "Basic Deductible" means the Deductible applicable in any one occurrence of loss or damage unless a more specific Deductible for the applicable loss or damage is shown in the Declarations or elsewhere in the policy.

When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

- 3. "Contents" means business personal property and home furnishings.
- 4. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:
  - a. Listed Items Items listed in the Declarations;
  - b. Unlisted Items Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;
  - c. Leased or Rented Items Items, not listed in the Declarations, that you have leased or rented from others.

CM T1 43 08 96 PAGE 12 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 216 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

"Contractors Equipment" does not include:

- a. Contraband, or property in the course of illegal transit or trade;
- b. Vehicles designed and principally used to transport property or persons over public roads;
- c. Aircraft or watercraft;
- d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use.
- 5. "Earth movement" means any movement of the earth (other than "sinkhole collapse"), including but not limited to:
  - a. Earthquake;
  - b. Landslide;
  - c. Earth sinking, rising or shifting; or
  - d. Volcanic eruption, explosion or effusion;

all whether naturally occurring or due to man-made or other artificial causes.

6. "Earth Movement Annual Aggregate Limit of Insurance" means the most we will pay for all covered "earth movement" occurrences in any one policy year.

Each policy year:

- a. Begins with the inception date or anniversary date of this policy, and
- b. Ends at the next anniversary date or the expiration date of this policy.
- 7. "Earth Movement Annual Aggregate Limit of Insurance For All Job Sites" means the most we will pay in total for all "job sites" for all covered "earth movement" occurrences in any one policy year.

Each policy year:

- a. Begins with the inception date or anniversary date of this policy, and
- b. Ends at the next anniversary date or the expiration date of this policy.
- 8. "Earth Movement Deductible" means the Deductible applicable in any one occurrence of loss or damage from "earth movement".
  - a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.
  - b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

CM T1 43 08 96 PAGE 13 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 217 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

9. "Earth Movement Limit of Insurance" means the most we will pay for loss or damage in any one occurrence caused directly or indirectly by "earth movement", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

But if loss or damage by fire, explosion or "volcanic action" results from "earth movement", the "Earth Movement Limit of Insurance" will not apply to the resulting loss or damage. Instead, we will pay up to the applicable Limit of Insurance shown in the Declarations that would otherwise apply to loss or damage by fire, explosion or "volcanic action". We will also pay up to such applicable Limit of Insurance for loss or damage by building glass breakage resulting from volcanic eruption, explosion or effusion.

All "earth movement" that occurs within any 168 - hour period will constitute a single occurrence. The expiration of this policy will not reduce the 168 - hour period.

Any payment under the "Earth Movement Limit of Insurance" is included within and will not increase the applicable Limit of Insurance shown elsewhere in this policy.

- 10. "Expendable supplies" means consumable and periodic maintenance items, held exclusively for the servicing of "Contractors Equipment", including, but not limited to, oil, grease, fuel, filters, and spark plugs.
- 11. "Flood" means:
  - a. Surface water, waves, tides, tidal waves, tsunami, overflow of any body of water, or their spray, all whether driven by wind or not;
  - b. Mudslide or mudflow;
  - c. Water that backs up from a sewer or drain; or
  - d. Water under the ground surface pressing on, or flowing or seeping through:
    - (1) Foundations, walls, floors or paved surfaces;
    - (2) Basements, whether paved or not; or
    - (3) Doors, windows or other openings;

all whether naturally occurring or due to man-made or other artificial causes.

12. "Flood Annual Aggregate Limit of Insurance" means the most we will pay for all covered "flood" occurrences in any one policy year.

Each policy year:

- a. Begins with the inception date or anniversary date of this policy, and
- b. Ends at the next anniversary date or the expiration date of this policy.
- 13. "Flood Annual Aggregate Limit of Insurance For All Job Sites" means the most we will pay in total for all "job sites" for all covered "flood" occurrences in any one policy year.

Each policy year:

CM T1 43 08 96 PAGE 14 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 218 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

- a. Begins with the inception date or anniversary date of this policy, and
- b. Ends at the next anniversary date or the expiration date of this policy.
- 14. "Flood Deductible" means the Deductible applicable in any one occurrence of loss or damage from "flood".
  - a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.
  - b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

15. "Flood Limit of Insurance" means the most we will pay for loss or damage in any one occurrence caused directly or indirectly by "flood", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

But if loss or damage by fire, explosion, or leakage or discharge from an automatic sprinkler system results from "flood", the "Flood Limit of Insurance" will not apply to the resulting loss or damage. Instead, we will pay up to the applicable Limit of Insurance shown in the Declarations that would otherwise apply to loss or damage by fire, explosion, or leakage or discharge from an automatic sprinkler system.

Any payment under the "Flood Limit of Insurance" is included within and will not increase the applicable Limit of Insurance shown elsewhere in this policy.

16. "Installation" means:

Property described in the Declarations under "Installation" owned by you or property of others for which you are legally liable, that you or your subcontractors will install, erect or fabricate at the "job site":

- a. While in transit to the "job site" or to a temporary storage location, but only if the property has been assigned to a specific "job site";
- b. During and after installation, erection or fabrication at the "job site";
- c. While at the "job site" or other temporary storage locations, but only if the property has been assigned to a specific "job site".

"Installation" does not include:

- a. Contraband, or property in the course of illegal transit or trade;
- b. Buildings or structures that existed at the "job site" prior to the inception of this policy;
- c. Land (including land on which the property is located) or water.
- 17. "Job site" means the premises where the "Installation" will be permanently located at completion of the construction, installation, erection or fabrication.
- 18. "Maximum Amount of Payment" means the most we will pay in any one occurrence of loss or damage.

CM T1 43 08 96 PAGE 15 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 219 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

- 19. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 20. "Replacement items" means equipment similar to the "Contractors Equipment" used in your business operations that you must rent due to loss or damage caused by or resulting from a Covered Cause of Loss to your "Contractors Equipment". "Replacement items" are only those items which are:
  - a. Necessary to continue your normal business operations; and
  - b. Needed because you do not have idle "Contractors Equipment" which can do the same work.
- 21. "Sinkhole collapse" means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. "Sinkhole collapse" does not mean the cost of filling sinkholes or the sinking or collapse of land into man-made underground cavities.
- 22. "Specified causes of loss" means fire; lightning; explosion; "windstorm"; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; "volcanic action"; falling objects; weight of snow, ice or sleet; "water damage".
  - a. Falling objects does not include loss or damage to:
    - (1) Personal property in the open; or
    - (2) The interior of a building or structure or personal property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
  - b. "Water damage" means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.
- 23. "Volcanic action" means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:
  - a. Airborne volcanic blast or airborne shock waves;
  - b. Ash, dust or particulate matter; or
  - c. Lava flow.

"Volcanic action" does not mean the cost to remove ash, dust or particles that do not cause direct physical loss or damage.

All volcanic eruptions that occur within any 168 - hour period will constitute a single occurrence.

- 24. "Windstorm" means wind or hail.
- 25. "Windstorm Deductible" means the Deductible applicable in any one occurrence of loss or damage caused directly or indirectly by "windstorm".

If loss or damage by rain, snow, sand or dust occurs and that loss or damage would not have occurred but for the "windstorm", such loss or damage will be considered to be caused by a "windstorm" occurrence.

CM T1 43 08 96 PAGE 16 of 17

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 220 of 326

COMMERCIAL INLAND MARINE

ISSUE DATE: 11-11-19

POLICY NUMBER: Y-630-9N857616-COF-19

TRANSACTION EFFECTIVE DATE: 10-31-19

a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.

b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

The "Windstorm Deductible" does not apply to property in transit.

CM T1 43 08 96 PAGE 17 of 17

# FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses under this Coverage Part is included in the Coverage Part premium. The charge for such Insured Losses that has been included for this Coverage Part is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

1% of your total Commercial Inland Marine Coverage Part premium.

# WASHINGTON CHANGES – VOLCANIC ACTION AND REPLACEMENT COST

This endorsement modifies insurance provided under the following:

#### COMMERCIAL INLAND MARINE COVERAGE FORM

**A.** When a Commercial Inland Marine Coverage Form attached to this policy provides coverage for, or a Definition of, Volcanic Action, the term is replaced by the following:

#### **VOLCANIC ACTION**

- Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:
  - Volcanic blast or airborne shock waves;
     or
  - **b.** Ash, dust or particulate matter.

This endorsement does not provide coverage for damage to:

- (1) Land;
- (2) Property in the open or in open sheds: or
- (3) Portions of buildings not completely enclosed, or personal property contained within those buildings.

All volcanic eruptions that occur within any 168-hour period will constitute a sinale occurrence.

#### 2. Removal

Direct loss includes the cost to:

- Remove the ash, dust or particulate matter from the interior and exterior surfaces of the covered building; and
- b. Clean equipment and "stock". If "stock" cannot be returned to its state before the volcanic eruption, the measure of loss will be the reduction in actual cash value.

Payment for removal applies only to the initial deposit of ash, dust or particulate matter following a volcanic eruption. Subsequent de-

- posits arising from the movement of volcanic dust or ash by wind or other means are not covered.
- 3. Volcanic Action does not include loss caused by, resulting from, contributed to or aggravated by:
  - a. Fire:
  - **b.** Explosion;
  - c. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or
  - **d.** Earth movement, including but not limited to earthquake, volcanic eruption, landslide, mine subsidence, lava flow, mud flow, earth sinking, earth rising or shifting.
- **B.** When a Commercial Inland Marine Coverage Form attached to this policy provides Replacement Cost Valuation, the applicable Valuation provision in the Additional Coverage Conditions is replaced by the following:

#### Valuation

In the event of loss or damage, the value of Covered Property as of the time of loss will be the least of least of the following:

- (1) The Limit of Insurance applicable to the lost or damaged property;
- (2) The amount it would cost to replace the damaged item at the time of the loss with new property of similar kind and quality to be used for the same purpose; or
- (3) The amount actually spent in repairing the damage, or replacing the damaged property with new property of similar kind and quality.

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## **WASHINGTON CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

- **A.** The Conditions of this Coverage Part that are in conflict with the statutes of the State of Washington are amended to conform to such statutes.
- B. Loss Condition B. Appraisal in the Commercial Inland Marine Conditions is replaced by the following:

#### **B.** Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

- 1. Pay its chosen appraiser; and
- **2.** Bear the other expenses of the appraisal and umpire equally.
- C. General Condition C. Legal Action Against Us in the Commercial Inland Marine Conditions is replaced by the following:

#### C. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

- 1. There has been full compliance with all the terms of this Coverage Part; and
- 2. The action is brought within two years after you first have knowledge of the direct loss or damage.

If this action is brought pursuant to Sec. 3 of RCW 48.30 then 20 days prior to filing such an action, you are required to provide written notice of the basis for the cause of action to us and the Office of the Insurance Commissioner. Such notice may be sent by regular

mail, registered mail, or certified mail with return receipt requested.

D. In each of the Commercial Inland Marine Coverage Forms, in the section titled Exclusions, the following paragraph is added to such exclusion(s) and supersedes any provision to the contrary:

We will not pay for loss or damage caused by any of the excluded events. Loss or damage will be considered to have been caused by an excluded event if the occurrence of that event:

- Directly and solely results in loss or damage; or
- Initiates a sequence of events that results in loss or damage, regardless of the nature of any intermediate or final event in that sequence.
- **E.** With respect to the:
  - Camera And Musical Instrument Dealers Coverage Form
  - Equipment Dealers Coverage Form
  - Floor Plan Coverage Form
  - Jewelers Block Coverage Form

the following replaces the **Water** Exclusion in the Coverage Form:

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge); or
- (2) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1).

This exclusion applies if any of the above, in Paragraphs (1) and (2):

- (a) Occurs independently;
- (b) Is caused by an act of nature;

CM U1 00 06 14

#### COMMERCIAL INLAND MARINE

- (c) Is caused by an act or omission of humans or animals; or
- (d) Is attributable to the failure, in whole or in part, of a dam, levee, seawall or other boundary or containment system.

But if any of the above, in Paragraphs (1) and (2), results in fire, explosion or theft, we will pay for the loss or damage caused by that fire, explosion or theft if these causes of loss would be covered under this Coverage Form.

This exclusion only applies to property at your premises.

- **F.** The **Weather Conditions** Exclusion is deleted from the following:
  - Commercial Articles Coverage Form
  - Physicians And Surgeons Equipment Coverage Form
  - Signs Coverage Form
  - Theatrical Property Coverage Form
  - Film Coverage Form
  - Accounts Receivable Coverage Form
  - Valuable Papers And Records Coverage Form
- **G.** With respect to the:
  - Camera And Musical Instrument Dealers Coverage Form
  - Equipment Dealers Coverage Form
  - Floor Plan Coverage Form
  - Jewelers Block Coverage Form

the **Weather Conditions** Exclusion is replaced by the following exclusion:

#### a. Weather Conditions

A weather condition which results in Water, as described in Paragraphs E.(1) and E.(2).

But if loss or damage by fire, explosion or theft results, we will pay for the loss or damage caused by that fire, explosion or theft if these causes of loss would be covered under this Coverage Form.

This exclusion only applies to property at your premises.

- **H.** Except as provided in Paragraph **I.**, the following sentence is added to each exclusion in:
  - Paragraph B.3. of all Commercial Inland Marine Coverage Forms except the Mail Coverage Form and the Accounts Receivable Coverage Form; and
  - **2.** Paragraph **B.4.** of the Accounts Receivable Coverage Form:

But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

- In the Commercial Articles, Camera And Musical Instrument Dealers, Equipment Dealers, Physicians And Surgeons Equipment, Signs, Theatrical Property, Floor Plan, Jewelers Block and Valuable Papers And Records Coverage Forms, Exclusion B.3.e. is replaced by the following:
  - e. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation; mechanical breakdown; insects, vermin, rodents; corrosion, rust, dampness, cold or heat. But if loss or damage by a cause of loss not otherwise excluded or by collapse, as provided in the Additional Coverage Collapse, results, we will pay for the loss or damage caused by that Covered Cause of Loss.

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# INTERLINE ENDORSEMENTS

# INTERLINE ENDORSEMENTS

# FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement applies to the insurance provided under the following:

COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE

COMMERCIAL GENERAL LIABILITY COVERAGE PART

CYBERFIRST ESSENTIALS LIABILITY COVERAGE PART

CYBERFIRST LIABILITY COVERAGE

EMPLOYEE BENEFITS LIABILITY COVERAGE PART

EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

EMPLOYMENT PRACTICES LIABILITY\* WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT COVERAGE PART

**ENVIRONMENTAL HAZARD POLICY** 

EXCESS (FOLLOWING FORM) LIABILITY INSURANCE

LAW ENFORCEMENT LIABILITY COVERAGE PART

LIMITED ABOVE GROUND POLLUTION LIABILITY COVERAGE PART

LIQUOR LIABILITY COVERAGE PART

MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND

INFORMATION SECURITY LIABILITY COVERAGE FORM

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART

RAILROAD PROTECTIVE LIABILITY COVERAGE PART

SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF TRANS-PORTATION

TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART

Any other Commercial Liability coverage included in this policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended

#### **PROVISIONS**

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

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Page 1 of 2

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is included in the premium for such coverage. The charge for such Insured Losses that has been included for each such coverage is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA.

• 1% of each applicable Commercial Liability Coverage premium.

IL T3 68 01 15

POLICY NUMBER: Y-630-9N857616-COF-19 ISSUE DATE: 11-11-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# DESIGNATED ENTITY – NOTICE OF CANCELLATION/NONRENEWAL PROVIDED BY US

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS INCLUDED IN THIS POLICY

#### **SCHEDULE**

CANCELLATION: Number of Days Notice of Cancellation: 30

NONRENEWAL: Number of Days Notice of Nonrenewal: 30

PERSON OR ORGANIZATION: FORMA CONSTRUCTION

ADDRESS: P. O. BOX 11489 OLYMPIA, WA 98508

#### **PROVISIONS:**

- A. If we cancel this policy for any statutorily permitted reason other than nonpayment of premium, and a number of days is shown for cancellation in the schedule above, we will mail notice of cancellation to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for cancellation in the schedule above before the effective date of cancellation.
- **B.** If we decide to not renew this policy for any statutorily permitted reason, and a number of days is shown for nonrenewal in the schedule above, we will mail notice of the nonrenewal to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for nonrenewal in the schedule above before the expiration date.

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Page 1 of 1

# AMENDMENT OF COMMON POLICY CONDITIONS – PROHIBITED COVERAGE – UNLICENSED INSURANCE AND TRADE OR ECONOMIC SANCTIONS

This endorsement modifies insurance provided under the following:

ALL COVERAGES INCLUDED IN THIS POLICY

The following is added to the Common Policy Conditions:

#### Prohibited Coverage - Unlicensed Insurance

- With respect to loss sustained by any insured, or loss to any property, located in a country or jurisdiction in which we are not licensed to provide this insurance, this insurance does not apply to the extent that insuring such loss would violate the laws or regulations of such country or jurisdiction
- 2. We do not assume responsibility for:
  - a. The payment of any fine, fee, penalty or other charge that may be imposed on any person or organization in any country or jurisdiction because we are not licensed to provide insurance in such country or jurisdiction; or

b. The furnishing of certificates or other evidence of insurance in any country or jurisdiction in which we are not licensed to provide insurance.

## Prohibited Coverage – Trade Or Economic Sanctions

We will provide coverage for any loss, or otherwise will provide any benefit, only to the extent that providing such coverage or benefit does not expose us or any of our affiliated or parent companies to:

- Any trade or economic sanction under any law or regulation of the United States of America; or
- **2.** Any other applicable trade or economic sanction, prohibition or restriction.

## CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

**BOILER AND MACHINERY COVERAGE PART** 

COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COMMERCIAL INLAND MARINE COVERAGE PART

COMMERCIAL PROPERTY COVERAGE PART

CYBERFIRST ESSENTIALS LIABILITY COVERAGE PART

CYBERFIRST LIABILITY COVERAGE

DELUXE PROPERTY COVERAGE PART

EMPLOYEE BENEFITS LIABILITY COVERAGE PART

EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

EMPLOYMENT PRACTICES LIABILITY\* WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT COVERAGE PART

**ENVIRONMENTAL HAZARD POLICY** 

**EQUIPMENT BREAKDOWN COVERAGE PART** 

EXCESS (FOLLOWING FORM) LIABILITY INSURANCE

LAW ENFORCEMENT LIABILITY COVERAGE PART

LIMITED ABOVE GROUND POLLUTION LIABILITY COVERAGE PART

LIQUOR LIABILITY COVERAGE PART

 ${\tt MEDFIRST\ PRODUCTS/CO\ MPLETED\ OPERATIONS\ ,\ ERRORS\ AND\ OMISSIONS\ ,\ AND\ }$ 

INFORMATION SECURITY LIABILITY COVERAGE FORM

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART

RAILROAD PROTECTIVE LIABILITY COVERAGE PART

SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF TRANSPORTATION

TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART

Any other Coverage Part or Coverage Form included in this policy that is subject to the federal Terrorism RiskInsurance Act of 2002 as amended

The following is added to this policy. This provision can limit coverage for any loss arising out of a "certified act of terrorism" if such loss is otherwise covered by this policy. This provision does not apply if and to the extent that coverage for the loss is excluded or limited by an exclusion or other coverage limitation for losses arising out of "certified acts of terrorism" in another endorsement to this policy.

If aggregate insured losses attributable to "certified acts of terrorism" exceed \$100 billion in a calendar year and we have met our insurer deductible under "TRIA", we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of "TRIA", to be an act of terrorism pursuant to "TRIA". The criteria contained in "TRIA" for a "certified act of terrorism" include the following:

- The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to "TRIA"; and
- 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"TRIA" means the federal Terrorism Risk Insurance Act of 2002 as amended.

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Page 1 of 1

## **EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART COMMERCIAL INLAND MARINE COVERAGE PART FARM COVERAGE PART

- **A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense, rental value or action of civil authority.
- **B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other mi-

- croorganism that induces or is capable of inducing physical distress, illness or disease.
- **C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- **D.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

#### WASHINGTON CHANGES – DEFENSE COSTS

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

COMMERCIAL PROPERTY COVERAGE PART – LEGAL LIABILITY COVERAGE FORM

COMMERCIAL PROPERTY COVERAGE PART – MORTGAGEHOLDER'S ERRORS AND OMISSIONS COVERAGE FORM

ELECTRONIC DATA LIABILITY COVERAGE PART

**FARM COVERAGE PART** 

FARM UMBRELLA LIABILITY POLICY

LIQUOR LIABILITY COVERAGE PART

MEDICAL PROFESSIONAL LIABILITY COVERAGE PART

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

POLLUTION LIABILITY COVERAGE PART

PRODUCT WITHDRAWAL COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

RAILROAD PROTECTIVE LIABILITY COVERAGE PART

UNDERGROUND STORAGE TANK COVERAGE PART

- A. The provisions of Paragraph B. are added to all Insuring Agreements that set forth a duty to defend under:
  - Section I of the Commercial General Liability, Commercial Liability Umbrella, Electronic Data Liability, Farm, Liquor Liability, Owners And Contractors Protective Liability, Pollution Liability, Products/Completed Operations Liability, Product Withdrawal, Medical Professional Liability, Railroad Protective Liability and Underground Storage Tank Coverage Parts, Auto Dealers Coverage Form and the Farm Umbrella Liability Policy;
  - **2.** Section **II** under the Auto Dealers, Business Auto and Motor Carrier Coverage Forms;
  - **3.** Section **III** under the Auto Dealers and Motor Carrier Coverage Forms;
  - **4.** Section **A.** Coverage under the Legal Liability Coverage Form; and

- Coverage C Mortgageholder's Liability under the Mortgageholder's Errors And Omissions Coverage Form.
- Paragraph **B.** also applies to any other provision in the policy that sets forth a duty to defend.
- **B.** If we initially defend an insured ("insured") or pay for an insured's ("insured's") defense but later determine that none of the claims ("claims"), for which we provided a defense or defense costs, are covered under this insurance, we have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement under this provision will only apply to the costs we have incurred after we notify you in writing that there may not be coverage and that we are reserving our rights to terminate the defense or the payment of defense costs and to seek reimbursement for defense costs.

# NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

- 1. The insurance does not apply:
  - **A.** Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - **B.** Under any Medical Payments Coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

- C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
  - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
  - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
  - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
- **2.** As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "Special nuclear material" or "by-product material":

"Source material", "special nuclear material", and "by-product material" have the meanings given

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Page 1 of 2

them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";

"Waste" means any waste material (a) containing "byproduct material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";

- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.

## **WASHINGTON CHANGES - ACTUAL CASH VALUE**

This endorsement modifies insurance provided under the following:

DELUXE PROPERTY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART

The following is added:

The term actual cash value means:

- a. When the damage to property is economically repairable, actual cash value means the cost of repairing the damage, less reasonable deduction for wear and tear, deterioration and obsolescence.
- **b.** When the loss or damage to property creates a total loss, actual cash value means the market
- value of property in a used condition equal to that of the destroyed property, if reasonably available on the used market.
- **c.** Otherwise, actual cash value means the market value of new, identical or nearly identical property less reasonable deduction for wear and tear, deterioration and obsolescence.

# WASHINGTON CHANGES – EXCLUDED CAUSES OF LOSS

This endorsement modifies insurance provided under the following:

#### DELUXE PROPERTY COVERAGE PART

**A.** In sections titled Covered Causes of Loss or Exclusions, any introductory paragraph preceding an exclusion or list of exclusions is replaced by the following paragraph, which pertains to those exclusions:

We will not pay for loss or damage caused by any of the excluded events described below. Loss or damage will be considered to have been caused by an excluded event if the occurrence of that event:

- Directly and solely results in loss or damage; or
- b. Initiates a sequence of events that results in loss or damage, regardless of the nature of any intermediate or final event in that sequence.
- **B.** The **Weather Conditions** exclusion (Paragraph **C.3.a.** in the Deluxe Property Coverage Form) is deleted and the introductory paragraph which precedes the exclusion does not apply to this exclusion. The following exclusion replaces the aforementioned exclusion:

#### **Weather Conditions**

We will not pay for loss or damage caused by or resulting from any of the following:

- a. A weather condition which results in:
  - Landslide, mudslide or mudflow;
  - (2) Mine subsidence; earth sinking, rising or shifting (other than sinkhole collapse);

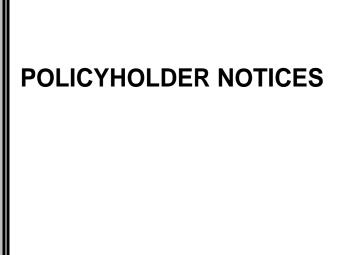
- (3) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (4) Water backing up from a sewer or drain;
- (5) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings.

But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

- b. A weather condition which results in the failure of power, communication, water or other utility service supplied to the described premises, if the failure:
  - (1) Originates away from the described premises; or
  - (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

## **POLICYHOLDER NOTICES**



## IMPORTANT NOTICE – INDEPENDENT AGENT AND BROKER COMPENSATION

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

For information about how Travelers compensates independent agents and brokers, please visit www.travelers.com, call our toll-free telephone number 1-866-904-8348, or request a written copy from Marketing at One Tower Square, 2GSA, Hartford, CT 06183.

PN T4 54 01 08 Page 1 of 1



## **POLICYHOLDER NOTICE – LEAD**

#### Dear Policyholder:

Lead has become a difficult problem for society as a whole and the insurance industry in particular.

As a consequence, we are attaching a lead exclusion to our liability policies based upon age and occupancy of buildings. Your policy contains this exclusion.

If you have questions about your insurance program, please contact your agent or local Company representative.

**PN T1 94 08 94** Page 1 of 1

#### To Our Valued Customer,

Each year, homeowners and business owners across the nation sustain significant weather-related property damage due to floods. These can include losses caused by waves, tidal waters, the overflow of a body of water, the rapid accumulation or runoff of surface water, and mudslide. In nearly all cases, these flood losses cannot be prevented or even anticipated. And, in many instances, the losses are devastating.

Most standard property insurance policies, including most of our policies, do <u>not</u> provide coverage for flood losses. While flood coverage is often available – primarily through the <u>National Flood Insurance Program</u> – it is rarely purchased. Unfortunately, each year we find that some policyholders are surprised and disappointed to learn that damages they have suffered as a direct result of flood are not covered under the policies they have purchased.

Please review your insurance coverage with your agent or Company representative. As you consider the need for flood insurance, keep in mind that floods can, and do, occur in locations all over the country. They are not limited to coastal areas or locations with nearby rivers or streams. Several inches of rain falling over a short period of time can cause flood damage, even in normally dry areas that are not prone to flooding.

For further information about Flood Insurance, contact your agent or company representative, or contact the National Flood Insurance Program directly.

PN T0 53 12 13 Page 1 of 1



# NOTICE TO POLICYHOLDERS JURISDICTIONAL INSPECTIONS

#### Dear Policyholder;

Many states and some cities issue certificates permitting the continued operation of certain equipment such as boilers, water heaters, pressure vessels, etc. Periodic inspections are normally required to renew these certificates. In most jurisdictions, insurance company employees who have been licensed are authorized to perform these inspections.

If:

- · You own or operate equipment that requires a certificate from a state or city to operate legally, and
- We Insure that equipment under this Policy, and
- You would like us to perform the next required inspection;

Then:

Call this toll-free number - 1-800-425-4119

When you call this number, our representative will ask you for the following information:

- Name of your business (as shown on this Policy)
- Policy Number
- Location where the equipment is located. Including Zip Code.
- Person to contact and phone number for scheduling of inspection
- Type of equipment requiring inspection
- Certificate inspection date and certificate number

Or:

Fill in the form on the reverse side of this notice and fax it to the toll-free number indicated on that form.

Please note the following:

- Your jurisdiction may charge you a fee for renewing a certificate. It is your responsibility to pay such a fee.
- All the provisions of the INSPECTIONS AND SURVEYS Condition apply to the inspections described in this
  notice.

#### REMINDER

If new equipment is installed or old equipment replaced that requires a jurisdictional inspection please let us know by calling our toll-free number listed above.

**PN T1 89 06 99** Page 1 of 2

## REQUEST FOR JURISDICTIONAL INSPECTION

Name of Business:					
(As Shown on Policy)					
Policy Number:					
Location of Equipment:					
City	State	Zip Code			
Person to Contact for Scheduling Ins Telephone Number of Person to Cor					
Equipment Type	Certificate Number	Certificate Expiration Date			
Fax Form to 1-877-764-9535					
Completed by:	Phone Number:				

Page 2 of 2 PN T1 89 06 99



#### One Tower Square, Hartford, Connecticut 06183

#### CHANGE ENDORSEMENT

Named Insured: CHARLES H BERESFORD CO INC (AS PER IL F1 18)

INSURING COMPANY:

THE CHARTER OAK FIRE INSURANCE COMPANY

Effective from 10/31/19 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

THE COMMERCIAL GENERAL LIABILITY COVERAGE PART IS AMENDED AS FOLLOWS:

AMENDING CG 20 10 10 01 - ADDL INSD-OWNERS/LESSEE/CONTRACTOR B AS PER ATTACHED.

AMENDING CG D3 73 11 05 - ADDITIONAL INSURED-OWNERS LESSORS CONTR AS PER ATTACHED.

ADDING CG T8 03 - GENERAL PURPOSE ENDORSEMENT AS PER ATTACHED.

ADDING CG T8 04 - GENERAL PURPOSE ENDORSEMENT AS PER ATTACHED.

NAME AND ADDRESS OF AGENT OR BROKER:
HUB INTL NORTHWEST LLC (35286)
P O BOX X
BELLINGHAM, WA 98227

IL TO 07 09 87 PAGE

OFFICE: SEATTLE

PAGE 1 OF 1

COUNTERSIGNED BY:	

Authorized Representative	
DATE:	



POLICY NUMBER: Y-630-9N857616-COF-19

**ISSUE DATE:** 10-31-19

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL TO 07 09 87 CHANGE ENDORSEMENT
IL T8 01 10 93 FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

#### COMMERCIAL GENERAL LIABILITY

CG T8 03	GENERAL PURPOSE ENDORSEMENT
CG T8 04	GENERAL PURPOSE ENDORSEMENT
CG D3 73 11 05	ADD'L INSURED, OWNERS, LESSEES, CONTRACTORS
CG 20 10 10 01	ADDL INSD-OWNER/LESSEE/CONTRACTOR B

IL T8 01 10 93 PAGE: 1 OF 1

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COMMERCIAL GENERAL LIABILITY
GENERAL PURPOSE ENDORSEMENT

POLICY NUMBER: Y-630-9N857616-COF-19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - CONTINUED

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

AMENDING SCHEDULE OF CG 20 10 10 01 "ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION", NAME OF PERSON OR ORGANIZATION TO INCLUDE:

LEASE CRUTCHER LEWIS 2200 WESTERN AVE, SUITE 500 SEATTLE WA 98121.

LOCATION AND DURATION OF PROJECT:

PROJECT #1: LAKE WA SD, KIRK ES; SOFT FLOOR LAYER INSTALLATION AT LAKE WASHINGTON SCHOOL DISTRICT.

PROJECT #2: LAKE WA SD, MEAD ES; SOFT FLOOR LAYER INSTALLATION AT LAKE WASHINGTON SCHOOL DISTRICT.

**CG T8 03** Page 1

COMMERCIAL GENERAL LIABILITY
GENERAL PURPOSE ENDORSEMENT

POLICY NUMBER: Y-630-9N857616-COF-19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - CONTINUED

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

AMENDING SCHEDULE OF CG D3 73 11 05 "ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS", NAME OF PERSON OR ORGANIZATION TO INCLUDE:

LEASE CRUTCHER LEWIS 2200 WESTERN AVE, SUITE 500 SEATTLE WA 98121.

LOCATION AND DESCRIPTION OF COMPLETED OPERATIONS:

PROJECT #1: LAKE WA SD, KIRK ES; SOFT FLOOR LAYER INSTALLATION AT LAKE WASHINGTON SCHOOL DISTRICT.

PROJECT #2: LAKE WA SD, MEAD ES; SOFT FLOOR LAYER INSTALLATION AT LAKE WASHINGTON SCHOOL DISTRICT.

**CG T8 04** Page 1

POLICY NUMBER: Y-630-9N857616-COF-19

COMMERCIAL GENERAL LIABILITY ISSUE DATE: 11-20-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

HOFFMAN CORPORATION ATTN: PURCHASING DEPT

**Location And Description of Completed Operations:** 

SHORELINE SD, KELLOGG

MIDDLE SCHOOL OR

**Section II – Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".

CG D3 73 11 05

POLICY NUMBER: Y-630-9N857616-COF-19

COMMERCIAL GENERAL LIABILITY ISSUE DATE: 11-20-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

HOFFMAN CORPORATION ATTN: PURCHASING DEPT

**Location And Description of Completed Operations:** 

EINSTEIN MIDDLE SCHOOL REPLACEMENT

OR

**Section II – Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".

CG D3 73 11 05

POLICY NUMBER: Y-630-9N857616-COF-19

COMMERCIAL GENERAL LIABILITY ISSUE DATE: 11-20-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

LEASE CRUTCHER LEWIS (CONTINUED ON CG T8 04)

**Location And Description of Completed Operations:** 

(CONTINUED ON CG T8 04)

WA

**Section II – Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".

CG D3 73 11 05

ISSUE DATE: 11-20-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name of Person or Organization:

POLICY NUMBER: Y-630-9N857616-COF-19

HOFFMAN CORPORATION ATTN: PURCHASING DEPT.

805 SW BROADWAY, STE. 2100
SHORELINE SD, KELLOGG MIDDLE SCHOOL
PORTLAND OR 97205

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Section II Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.
- **B.** With respect to the insurance afforded to these additional insureds, the following exclusion is added:
  - 2. Exclusions

This insurance does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with

- such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

ISSUE DATE: 11-20-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name of Person or Organization:

POLICY NUMBER: Y-630-9N857616-COF-19

HOFFMAN CORPORATION ATTN: PURCHASING DEPT.

805 SW BROADWAY, STE 2100
EINSTEIN MIDDLE SCHL REPLACEMENT
PORTLAND OR 97205

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Section II Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.
- **B.** With respect to the insurance afforded to these additional insureds, the following exclusion is added:
  - 2. Exclusions

This insurance does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with

- such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

ISSUE DATE: 11-20-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name of Person or Organization:

PROJECT OWNER AND SKANSKA USA BUILDING INC (SEE CG T8 02)

POLICY NUMBER: Y-630-9N857616-COF-19

(SEE CG T8 02)

PORTLAND

OR 97205

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Section II Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.
- **B.** With respect to the insurance afforded to these additional insureds, the following exclusion is added:

#### 2. Exclusions

This insurance does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with

- such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

CG 20 10 10 01

ISSUE DATE: 11-20-19

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE** 

Name of Person or Organization:

POLICY NUMBER: Y-630-9N857616-COF-19

LEASE CRUTCHER LEWIS (CONTINUED ON CG T8 03)

2200 WESTERN AVE, SUITE 500

SEATTLE

WA 98121

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Section II Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.
- **B.** With respect to the insurance afforded to these additional insureds, the following exclusion is added:

#### 2. Exclusions

This insurance does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with

- such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.



#### CHANGE ENDORSEMENT

Named Insured: CHARLES H BERESFORD CO INC (AS PER IL F1 18)

INSURING COMPANY:

THE CHARTER OAK FIRE INSURANCE COMPANY

Effective from 02/11/20 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

THE COMMON POLICY DECLARATIONS IS AMENDED AS FOLLOWS:

AMENDING IL TO 03 04 96 - LOCATION SCHEDULE AS FOLLOWS:

ADDING LOCATION 5, BUILDING 5 OCCUPIED AS WAREHOUSE BUILDING LOCATED AT: 7812 S. 186TH PLACE, KENT, WA 98032.

DELETING LOCATION 2, BUILDING 2 AND ALL APPLICABLE COVERAGES AND FORMS. (LOCATED AT: 6307 S 228TH ST, KENT, WA 98032-3419)

THE DELUXE PROPERTY COVERAGE PART IS AMENDED AS FOLLOWS:

AMENDING BLANKET YOUR BUSINESS PERSONAL PROPERTY LIMIT TO INCLUDE LOCATION 5, BUILDING 5.

AMENDING DELUXE BUSINESS INCOME COVERAGE FORM (AND EXTRA EXPENSE) TO ADD LOCATION 5, BUILDING 5.

THE COMMERCIAL GENERAL LIABILITY COVERAGE PART IS AMENDED AS FOLLOWS:

AMENDING DECLARATIONS PREMIUM SCHEDULE CG TO 07 09 87 TO ADD:

LOC/ BLDG NO	CLASS DESCRIPT/ CODE NO	SUBLINE	PREMIUM BASE/ EXPOSURE	RATES	ADVANCE PREMIUM

5/5 WAREHOUSES - PRIVATE - OTHER THAN NOT-FOR-PROFIT

NAME AND ADDRESS OF AGENT OR BROKER: HUB INTL NORTHWEST LLC (35286)

P O BOX X

BELLINGHAM, WA 98227

**COUNTERSIGNED BY:** 

Authorized Representative	

IL TO 07 09 87 PAGE 1 OF 2

OFFICE: SEATTLE

DATE:



CHANGE ENDORSEMENT

Policy Number: Y-630-9N857616-COF-19

Policy Effective Date: 10/31/19

Issue Date: 02/29/20

68706 PREM/OPS A 6,000 21.359 128

IL TO 07 09 87 PAGE 2 OF 2

OFFICE: SEATTLE 199

PRODUCER NAME: HUB INTL NORTHWEST LLC 35286



#### CHANGE ENDORSEMENT

Named Insured: CHARLES H BERESFORD CO INC (AS PER IL F1 18)

INSURING COMPANY:

THE CHARTER OAK FIRE INSURANCE COMPANY

Effective from 10/01/20 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

THE COMMERCIAL GENERAL LIABILITY COVERAGE PART IS AMENDED AS FOLLOWS:

AMENDING DECLARATIONS PREMIUM SCHEDULE CG TO 07 09 87 AS FOLLOWS:

AMENDING LOCATION 1 BUILDING 1 CLASS CODE 91585 PREM/OPS EXPOSURE TO 16,000,000.

AMENDING LOCATION 1 BUILDING 1 CLASS CODE 91585 PROD/C-OPS EXPOSURE TO 16,000,000.

NAME AND ADDRESS OF AGENT OR BROKER: HUB INTL NORTHWEST LLC (35286) P O BOX X BELLINGHAM, WA 98227

IL TO 07 09 87 PAGE 1 OF 1

OFFICE: SEATTLE

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Authorized Representative	_
DATE	

OVERPRINT/CHANGE SLIP PAGE 1 OF 1

POLICY NUMBER: Y-630-9N857616-COF-19

WHOLESALING

EFFECTIVE DATE: 10/31/19 EXPIRATION DATE: 10/31/20

CHANGE EFFECTIVE DATE: 10/01/20

INSUREDS NAME: CHARLES H BERESFORD CO INC

(AS PER IL F1 18)

PRORATA FACTOR: 0.082 SHORT RATE FACTOR: 0.082

NEW/RENEWAL: N PAYMODE: B

SOLICITOR CODE: AUDIT FREQUENCY: A

SAI: 7000X7167 RESPONSIBILITY: Y

MSI: WATCH FILE: 0

RATING MODE: G SURVEY CODE: 2

SPECIAL CODE: REINSURANCE: N

PROGRAM CODE: P45 AUTO FILINGS:

FEDERAL TAX ID:

PREMIUM SUMMARY

ACCOUNT EFF. NON
S.B. MONTH DATE PREMIUM PREMIUM TOTAL
2,215.00 CR 0.00 2,215.00 CR

TOTAL: 2,215.00 CR 0.00 2,215.00 CR

OFFICE: SEATTLE 199

PRODUCER NAME: HUB INTL NORTHWEST LLC 35286

## Case 2:21esv-00093-RSM Document 13 Filed 04/07/21 Page 262 of 326 **TRAVELERS** J

TRAVELERS
DBS - 199 9N857616 630 191031
P.O. BOX 26385
RICHMOND, VA 23260-6385

#### **Notice of Cancellation**

Account 7000X7167

Page 1 of 3

199

CHARLES H BERESFORD CO INC 1829 10TH AVE WEST SEATTLE WA 98119

YOUR INSURANCE POLICY IS SUBJECT TO CANCELLATION. PLEASE SEE REVERSE SIDE FOR NOTICE OF CANCELLATION.

**CLDBNOC** 

#### $\leq$ e 2:21-cv-00093-RSM $\,$ Document 13 $\,$ Filed 04/07/21 $\,$ Page 263 of 326 $\,$

TRAVELERS

#### NOTICE OF CANCELLATION FOR NON-PAYMENT OF PREMIUM

Insuring Company: THE CHARTER OAK FIRE INSURANCE COMPANY

Named Insured and Mailing Address

CHARLES H BERESFORD CO INC **1829 10TH AVE WEST SEATTLE WA 98119** 

**Commercial Package** 

POLICY NO. 9N857616 630 12/20/19 **Issue Date** ACCOUNT 7000X7167

Page 2 of 3

Agent HUB INTL NORTHWEST LLC

Please contact your agent if you have any questions. PHONE: (360) 647-9000

#### **EFFECTIVE DATE OF CANCELLATION: JANUARY 09, 2020**

We are pleased to have you as a customer and would like to continue to provide your insurance. Unfortunately, we have not received the premium payment due on this policy. Therefore, your policy shown on this notice will be cancelled on the effective date of cancellation shown above, at the time the policy became effective. We will refund any premium due you. We regret having to take this action, and will be pleased to rescind the cancellation if we receive the minimum due on/before the effective date of cancellation. In that event, we will send you a notice of reinstatement continuing your coverage.

Premium Information					
POLICY NUMBER 9N857616 630 POLICY PERIOD 10/31/19 To 10/31/20					
Previous balance	\$16,844.00	Pay	MINIMUM DUE	\$7,017.83	
		Either Amount	TOTAL DUE	\$16,844.00	
		Ву	DUE DATE	JANUARY 09, 2020	

If you wish to reinstate your policy, you must pay the MINIMUM DUE by the effective date of cancellation at 12:01 am. The MINIMUM DUE shown above includes:

\$5,614.10 was due on 12/09/19; \$1,403.73 that is due on 01/09/20.

Please detach the return stub and mail with your payment in the enclosed envelope to: TRAVELERS CL REMITTANCE CENTER, PO BOX 660317, DALLAS, TX 75266-0317.

> 648844J 2019354 9546 199 035286

Payment Coupon Make checks payable to: TRAVELERS

HUB INTL NORTHWEST LLC CHARLES H BERESFORD CO INC

7000X7167

9N857616 630

Change of Address? Place an "X" here. Print changes on reverse side.

Include Account Number on the check.

**PAYMENT MUST BE RECEIVED BY** JANUARY 09, 2020

**TOTAL BALANCE** \$16,844.00 MINIMUM DUE

TRAVELERS CL REMITTANCE CENTER PO BOX 660317 DALLAS, TX 75266-0317

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\$7,017.83 **AMOUNT ENCLOSED** 

9937303030243731363740393939397200070178300168440008



#### **Notice of Cancellation**

Account 7000X7167

Page 3 of 3

The policy number shown above consists of your CL policy number and policy form. For the complete policy number refer to your policy paper.

This bill is rendered by The Travelers policy shown on this notice.

affiliated company indicated on the

Replacement of Property (Fire) Insurance: If this cancellation pertains to a policy providing fire, extended coverage and vandalism and malicious mischief insurance and you wish to replace your insurance, you should make an effort to obtain insurance through another company in the normal market. If you have difficulty in procuring replacement coverage in the normal market, you possibly may obtain fire, extended coverage and vandalism and malicious mischief insurance through the Washington FAIR Plan. For further information, please contact your agent.

A late charge has been assessed on your account because we have not received your previous minimum due. This account level charge is listed on another notice that is being issued and mailed to you today.

If you are paying with a check from a Personal Checking Account, you authorize us to either use information from your check to make a one-time electronic funds transfer from your account or to process the payment as a check. If you are paying with a check from a Business Checking account, we will process the payment as a check.

If you have any questions about this statement, please contact your Agent, Travelers Billing Customer Service or the Travelers on-line Telephone Inquiry Service. To reach the Travelers Billing Customer Service or the Telephone Inquiry dial 1-800-252-2268 and follow the instructions.

Your 9 character billing account number is: --- 7000X7167.

648844J 2019354 9546 199 035286

#### Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 265 of 326

HUB INTL NORTHWEST LLC P O BOX X BELLINGHAM WA 98227

Date of this Notice
Account No. 7000X7167

12/31/19

CHARLES H BERESFORD CO INC 1829 10TH AVE WEST SEATTLE WA 98119 Please contact your agent with any questions, future policy changes and all address changes.

HUB INTL NORTHWEST LLC (360) 647-9000

Insuring Company: THE CHARTER OAK FIRE INSURANCE COMPANY

#### REINSTATEMENT NOTICE

We are pleased to tell you that your policy has been reinstated.

POLICYHOLDER	POLICY IDENTIFICATION NUMBER		
CHARLES H BERESFORD CO INC	9N857616 630		
TYPE OF INSURANCE	POLICY PERIOD		
Commercial Package	10/31/19 To 10/31/20		

Receipt of funds dishonored upon presentment is not a valid means of reinstatement. Reinstatement will only occur when all conditions have been met. If these conditions have not been met the reinstatement will be null and void.

We understand that circumstances will occasionally cause a payment to arrive late, but please be aware that if future payments don't reach us on time, WE MAY REQUIRE FULL PAYMENT OF THE OUTSTANDING BALANCE ON YOUR POLICY. Please contact your Travelers representative if you have any questions concerning this notice. Thank you for your business.

648826R 2019365 9552 199 035286

CLDBREIN

## EXHIBIT 5

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This certification is affixed to a policy which is a true and accurate copy of the document in the company's business records as of the date shown below.

No additional insurance is afforded by this copy.

Travelers Property Casualty Company of America

Name of Insuring Company(ies)

CUP-9N868772

10/31/19-10/31/20

03/26/21

Policy Number(s)

Policy Period(s)

**Date** 

Kenneth Kupec, Second Vice President

BI Document Management



**POLICY DECLARATIONS EXCESS FOLLOW-FORM AND UMBRELLA** LIABILITY INSURANCE POLICY

POLICY NO .: CUP - 9N868772 - 19 - 14

**ISSUE DATE:**11/12/2019

INSURING COMPANY: TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

1. NAMED INSURED AND MAILING ADDRESS: CHARLES H BERESFORD CO INC 1829 10TH AVE WEST SEATTLE WA 98119

- 2. POLICY PERIOD: From 10/31/2019 to 10/31/202012:01 A.M. Standard Time at your mailing address.
- 3. LIMITS OF INSURANCE:

	COVERAG	ES		LIMITS OF LIABILITY
	AGGREGATE LIMITS OF LIAB	ILITY	5,000,000	General Aggregate
			5,000,000	<b>Products-Completed Operations Aggregate</b>
	EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY	•	5,000,000	Occurrence Limit subject to the General Aggregate
	CRISIS MANAGEMENT SERVI	CE	50,000	all Crisis Management Events
4.	SELF-INSURED RETENTION:		10,000	any one occurrence or event
5.	<b>PREMIUM:</b> 5,545	x Flat C	Charge	Adjustable (See Premium Schedule)

6. TAXES AND SURCHARGES:

- 7. On the effective date shown in Item 2., the Excess Follow-Form And Umbrella Liability Insurance Policy numbered above includes this Declarations Page and any forms and endorsements shown on the Listing Of Forms, Endorsements And Schedule Numbers.
- 8. If the Schedule Of Underlying Insurance includes any coverage provided on a claims-made basis, then the following disclaimer applies.

#### APPLY CLAIMS-MADE COVERAGE WILL ON A BASIS WHEN FOLLOWING CLAIMS-MADE UNDERLYING INSURANCE.

9. If the Schedule Of Underlying Insurance includes any coverage which includes defense expenses within the limits of liability, then the following disclaimer applies:

#### DEFENSE EXPENSES ARE PAYABLE WITHIN, AND ARE NOT IN ADDITION TO, THE LIMITS OF INSURANCE WITH RESPECT TO SOME OR ALL OF THE COVERAGES PROVIDED.

NAME AND ADDRESS OF AGENT OR BROKER:	COUNTERSIGNED BY:		
HUB INTL NORTHWEST LLC - 35286			
PO BOX X BELLINGHAM WA 98227	Authorized Representative		
	DATE:		

OFFICE: SEATTLE WA

EU 00 02 07 16

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Page 1 of 1



## Report Claims Immediately by Calling\* 1-800-238-6225

Speak directly with a claim professional 24 hours a day, 365 days a year

\*Unless Your Policy Requires Written Notice or Reporting

# EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE POLICY

#### **A Custom Insurance Policy Prepared for:**

CHARLES H BERESFORD CO INC 1829 10TH AVE WEST SEATTLE WA 98119 This policy consists of this policy cover, the Policy Declarations and the Policy Forms, and endorsements listed in that declaration form.

In return for payment of the premium, we agree with the Named Insured to provide the insurance afforded by this policy. That insurance will be provided by the company indicated as insuring company in the Declarations by the abbreviation of its name.

The company listed below (a stock company) has executed this policy, but it is valid only if countersigned on the Declarations by our authorized representative.

TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA (TIL)

President

Wendy C. Shy

POLICY NUMBER: CUP-9N868772-19-14

**EFFECTIVE DATE:** 10/31/2019 **ISSUE DATE:** 11/12/2019

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS

IL	Т8	01	01	01	FORMS ENDORSEMENTS AND SCHEDULE NUMBERS
UMBRELLA	. /	EXC	ESS	5	
EU	00	02	07	16	POLICY DECLARATIONS EXCESS FOLLOW-FORM AND UMBRELLA
					LIABILITY INSURANCE POLICY
EU	00	03	80	18	SCHEDULE OF UNDERLYING INSURANCE
EU	00	01	07	16	EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE
EU	02	34	07	16	AMENDMENT OF COVERAGE - DEFINITIONS
EU	03	46	80	18	NON CUMULATION OF OCCURRENCE LIMIT
EU	01	44	07	16	COVERAGE FOR FINANCIAL INTEREST IN FOREIGN INSURED
					ORGANIZATIONS
EU	00	07	07	16	CAP LOSSES - CERT ACTS TERRORSM AND EXCL
EU	01	18	07	16	AIRCRAFT PRODUCTS AND GROUNDING EXCLUSION - COVERAGE B
EU	02	09	80	18	NUCLEAR ENERGY LIABILITY EXCLUSION (BROAD FORM) -
					COVERAGES A AND B
EU	02	80	07	16	TOBACCO OR NICOTINE EXCLUSION - COVERAGES A AND B
EU	03	05	03	17	EXTERIOR INSULATION AND FINISH SYSTEM EXCLUSION -
					COVERAGE B
EU	03	31	80	18	DISCRIMINATION EXCLUSION - COVERAGE B
EU	03	38	80	18	FUNGI OR BACTERIA EXCLUSION - COVERAGE B - WASHINGTON
EU	03	44	80	18	LEAD EXCLUSION - COVERAGE B
EU	03	63	80	18	SILICA OR SILICA-RELATED DUST EXCLUSION - COVERAGE B
EU	03	70	80	18	WRAP-UP INSURANCE PROGRAM EXCLUSION - COVERAGE B
EU	00	74	07	16	WASHINGTON CHANGES
INTERLIN	E E	ENDC	RSE	EMENTS	
TT.	πз	68	01	15	FEDERAL TERROPTEM DICK INCLIDANCE ACT DICCLOSIDE

IL T3 68 01 15 FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

IL T8 01 01 01 PAGE: 1 OF 1

POLICY NUMBER: CUP-9N868772-19-14

**UMBRELLA** 

ISSUE DATE: 11/12/2019

1,000,000

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### SCHEDULE OF UNDERLYING INSURANCE

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

Automobile Liability

**Limits Of Liability** 

Carrier THE TRAVELERS INDEMNITY

COMPANY

Bodily Injury And Property Damage Combined Single

Limit

Policy Number BA-009N85640A-19

Policy Period

From: 10/31/2019

> 10/31/2020 to:

Employee Benefits Liability

**Limits Of Liability** 

Carrier THE CHARTER OAK FIRE INSURANCE

COMPANY

Each Employee 1,000,000

Aggregate

2,000,000

Policy Number 630-9N857616-19

Policy Period

From: 10/31/2019

to: 10/31/2020

Employers Liability

**Limits Of Liability** 

Carrier THE CHARTER OAK FIRE INSURANCE

COMPANY

Bodily Injury By Accident

1,000,000 Each Accident

Policy Number 630 - 9N857616 - 19

Bodily Injury By Disease

Policy Period

From:

10/31/2019

Bodily Injury By Disease

1,000,000

1,000,000

Each Employee

Policy Limit

10/31/2020 to:

PRODUCER: HUB INTL NORTHWEST LLC

OFFICE: SEATTLE WA 199

EU 00 03 08 18

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Page 1 of 2

POLICY NUMBER: CUP-9N868772-19-14

UMBRELLA

ISSUE DATE: 11/12/2019

#### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### SCHEDULE OF UNDERLYING INSURANCE

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

Commercial General Liability **Limits Of Liability** Carrier THE CHARTER OAK FIRE INSURANCE General Aggregate 2,000,000 COMPANY Products-Completed 2,000,000 Operations Aggregate Policy Number 630-9N857616-19 Policy Period Personal and 1,000,000 Advertising Injury From: 10/31/2019 to: 10/31/2020 Each Occurrence 1,000,000

**Limits Of Liability** 

Carrier

Policy Number

Policy Period

From:

to:

**Limits Of Liability** 

Carrier

**Policy Number** 

Policy Period

From:

to:

PRODUCER: HUB INTL NORTHWEST LLC OFFICE: SEATTLE WA 199

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Page 2 of 2

Page 7

## EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

THIS POLICY, INPART, PROVIDES FOLLOW-FORM LIABILITY COVERAGE.

COVERAGE WILL APPLY ON A CLAIMS-MADE BASIS WHEN FOLLOWING CLAIMS-MADE UNDERLYING INSURANCE.

COVERAGE WILL APPLY ON A DEFENSE-WITHIN-LIMITS BASIS WHEN FOLLOWING UNDERLYING INSURANCE UNDER WHICH DEFENSE EXPENSES ARE PAYABLE WITHIN, AND NOT IN ADDITION TO, THE LIMITS OF INSURANCE. WHEN FOLLOWING SUCH UNDERLYING INSURANCE, PAYMENT OF DEFENSE EXPENSES UNDER THIS POLICY WILL REDUCE, AND MAY EXHAUST, THE LIMITS OF INSURANCE OF THIS POLICY.

#### PLEASE READ THE ENTIRE POLICY CAREFULLY.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words you and your refer to the Named Insured shown in the Declarations and any other person or organization qualifying as a Named Insured under this policy. The words we, us and our refer to the company providing this insurance.

The word insured means any person or organization qualifying as such under **SECTION II – WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION VI – DEFINITIONS**.

#### **SECTION I – COVERAGES**

## A. COVERAGE A – EXCESS FOLLOW-FORM LIABILITY

- 1. We will pay on behalf of the insured those sums, in excess of the applicable underlying limit, that the insured becomes legally obligated to pay as damages to which Coverage A of this insurance applies, provided that the underlying insurance would apply to such damages but for the exhaustion of its applicable limits of insurance. If a sublimit is specified in any underlying insurance, Coverage A of this insurance applies to damages that are in excess of that sublimit only if such sublimit is shown for that underlying insurance in the Schedule Of Underlying Insurance.
- **2.** Coverage **A** of this insurance is subject to the same terms, conditions, agreements, exclusions and definitions as the underlying insurance, except with respect to any

- provisions to the contrary contained in this insurance.
- The amount we will pay for damages is limited as described in SECTION III – LIMITS OF INSURANCE.
- **4.** For the purposes of Paragraph **1.** above:
  - a. The applicable limit of insurance stated for the policies of underlying insurance in the Schedule Of Underlying Insurance will be considered to be reduced or exhausted only by the following payments:
    - (1) Payments of judgments settlements for damages that are that underlying covered by insurance . However, if underlying insurance has a policy period which differs from the policy period of this Excess Follow-Form And Umbrella Liability Insurance, any such payments for damages that would not be covered by this Excess Follow-Form And Umbrella Liability

- Insurance because of its different policy period will not reduce or exhaust the applicable limit of insurance stated for such underlying insurance;
- (2) Payments of medical expenses that are covered by that underlying insurance and are incurred for bodily injury caused by an accident that takes place during the policy period of this Excess Follow-Form And Umbrella Liability Insurance; or
- (3) Payments of defense expenses that are covered by that underlying insurance, only if such underlying insurance includes such payments within the limits of insurance. However, if such underlying insurance has a policy period which differs from the policy period of this Excess Follow-Form And Umbrella Liability Insurance, any such payments for defense expenses that would not be covered by this Excess Follow-Form And Umbrella Liability Insurance because of its different policy period will not reduce or exhaust the applicable limit of insurance stated for such underlying insurance.

If the applicable limit of insurance stated for the policies of underlying insurance in the Schedule Of Underlying Insurance is actually reduced or exhausted by other payments, Coverage A of this insurance is not invalidated. However, in the event of a loss, we will pay only to the extent that we would have paid had such limit not been actually reduced or exhausted by such other payments.

- **b.** If any underlying insurance has a limit of insurance greater than the amount shown for that insurance in the Schedule of Underlying Insurance, this insurance will apply in excess of that greater amount. If any underlying insurance has a limit of insurance, prior to any reduction or exhaustion by payment of damages, medical expenses or defense expenses described in Paragraph a. above, that is less than the amount shown for that insurance in the Schedule Of Underlying Insurance, this insurance will apply in excess of the amount shown for such insurance in the Schedule Of Underlying Insurance.
- **5.** When the underlying insurance applies on a claims-made basis and includes a retroactive

date provision, the retroactive date for Coverage **A** of this insurance is the same as the retroactive date of that underlying insurance .

#### B. COVERAGE B - UMBRELLA LIABILITY

- We will pay on behalf of the insured those sums in excess of the self-insured retention that the insured becomes legally obligated to pay as damages because of bodily injury, property damage, personal injury or advertising injury to which Coverage B of this insurance applies.
- **2.** Coverage **B** of this insurance applies to bodily injury or property damage only if:
  - **a.** The bodily injury or property damage is caused by an occurrence that takes place anywhere in the world;
  - **b.** The bodily injury or property damage occurs during the policy period; and
  - c. Prior to the policy period, no insured listed under Paragraph 1. in Paragraph B., COVERAGE В **UMBRELLA** LIABILITY, of SECTION II - WHO IS AN INSURED and no employee authorized by you to give or receive notice of an occurrence or claim, knew that the bodily injury or property damage had occurred, in whole or in part. If such a listed insured or authorized employee knew, prior to the policy period, that the bodily injury or property damage occurred, in whole or in part, then any continuation, change or resumption of such bodily injury or property damage during or after the policy period will be deemed to have been known prior to the policy period.
- **3.** Coverage **B** of this insurance applies to personal injury or advertising injury caused by an offense arising out of your business, but only if the offense was committed during the policy period anywhere in the world.
- The amount we will pay for damages is limited as described in SECTION III – LIMITS OF INSURANCE.
- **5.** Bodily injury or property damage :
  - a. Which occurs during the policy period; and
  - b. Which was not prior to, but was during, the policy period known to have occurred by any insured listed under Paragraph 1. in Paragraph B., COVERAGE B UMBRELLA LIABILITY of SECTION II WHO IS AN INSURED, or any employee authorized by you to give notice of an occurrence or claim;

Page 2 of 22

- includes any continuation, change or resumption of the bodily injury or property damage after the end of the policy period.
- 6. Bodily injury or property damage will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. in Paragraph B., COVERAGE B UMBRELLA LIABILITY, of SECTION II WHO IS AN INSURED or any employee authorized by you to give or receive notice of an occurrence or claim:
  - **a.** Reports all, or any part, of the bodily injury or property damage to us or any other insurer;
  - **b.** Receives a written or verbal demand or claim for damages because of the bodily injury or property damage; or
  - **c.** Becomes aware by any other means that the bodily injury or property damage has occurred or has begun to occur.
- **7.** Damages because of bodily injury include damages claimed by any person or organization for care, loss of services or death resulting at any time from the bodily injury .
- **8.** Coverage **B** of this insurance does not apply to damages covered by any underlying insurance or that would have been covered by any underlying insurance but for the exhaustion of its applicable limit of insurance.

## C. COVERAGE C – CRISIS MANAGEMENT SERVICE EXPENSES

- **1.** We will reimburse the insured, or pay on the insured's behalf, crisis management service expenses to which Coverage **C** applies.
- **2.** Coverage **C** of this insurance applies to crisis management service expenses that:
  - Arise out of a crisis management event that first commences during the policy period;
  - **b**. Are incurred by the insured, after a crisis management event first commences and before such event ends; and
  - **c**. Are submitted to us within 180 days after the crisis management advisor advises you that the crisis management event no longer exists.
- **3.** A crisis management event will be deemed to:
  - **a.** First commence at the time when any executive officer first becomes aware of an event or occurrence that leads to that crisis management event; and
  - **b**. End when we decide that the crisis no longer exists or when the Crisis

Management Service Expenses Limit has been exhausted, whichever occurs first.

- The amount we will pay for crisis management service expenses is limited as described in SECTION III – LIMITS OF INSURANCE.
- **5.** A self-insured retention does not apply to crisis management service expenses .
- 6. Any payment of crisis management service expenses that we make will not be determinative of our obligations under this insurance with respect to any claim or suit or create any duty to defend or indemnify any insured for any claim or suit.

#### D. DEFENSE AND SUPPLEMENTARY PAYMENTS

- We will have the right and duty to defend the insured:
  - **a.** Under Coverage **A**, against a suit seeking damages to which such coverage applies, if:
    - (1) The applicable underlying limit is the applicable limit of insurance stated for a policy of underlying insurance in the Schedule Of Underlying Insurance and such limit has been exhausted solely due to payments as permitted in Paragraphs 4.a.(1), (2) and (3) of COVERAGE A EXCESS FOLLOW-FORM LIABILITY of SECTION I COVERAGES; or
    - (2) The applicable underlying limit is the applicable limit of any other insurance and such limit has been exhausted by payments of judgments, settlements or medical expenses, or related costs or expenses (if such costs or expenses reduce such limits).

For any suit for which we have the right and duty to defend the insured under Coverage A, defense expenses will be within the limits of insurance of this policy when such expenses are within the limits of insurance of the applicable underlying insurance; or

- **b.** Under Coverage **B**, against a suit seeking damages to which such coverage applies.
- **2.** We have no duty to defend any insured against any suit:
  - **a.** Seeking damages to which this insurance does not apply; or
  - **b.** If any other insurer has a duty to defend.

- 3. When we have the duty to defend, we may, at our discretion, investigate and settle any claim or suit. In all other cases, we may, at our discretion, participate in the investigation, defense and settlement of any claim or suit for damages to which this insurance may apply. If we exercise such right to participate, all expenses we incur in doing so will not reduce the applicable limits of insurance.
- **4.** Our duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements, or defense expenses if such expenses are within the limits of insurance of this policy.
- 5. We will pay, with respect to a claim we investigate or settle, or suit against an insured we defend:
  - a. All expenses we incur.
  - **b.** The cost of:
    - (1) Bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which this insurance applies; or
    - **(2)** Appeal bonds and bonds to release attachments;

but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

- c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of such claim or suit, including actual loss of earnings up to \$1,000 a day because of time off from work.
- d. All court costs taxed against the insured in the suit . However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- e. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- f. All interest that accrues on the full amount of any judgment after entry of the judgment and before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable limit of insurance. If we do not pay part of the judgment for any reason other than it is more than the applicable limit of insurance, we will not pay any interest that accrues on that portion of the judgment.

With respect to a claim we investigate or settle, or suit against an insured we defend under COVERAGE A – EXCESS FOLLOW-FORM LIABILITY, these payments will not reduce the applicable limits of insurance, but only if the applicable underlying insurance provides for such payments in addition to its limits of insurance. With respect to a claim we investigate or settle, or suit against an insured we defend under COVERAGE B – UMBRELLA LIABILITY, these payments will not reduce the applicable limits of insurance.

#### SECTION II - WHO IS AN INSURED

## A. COVERAGE A – EXCESS FOLLOW-FORM LIABILITY

With respect to Coverage **A**, the following persons and organizations qualify as insureds:

- **1.** The Named Insured shown in the Declarations; and
- 2. Any other person or organization qualifying as an insured in the underlying insurance. If you have agreed to provide insurance for that person or organization in a written contract or agreement:
  - **a.** The limits of insurance afforded to such person or organization will be:
    - (1) The amount by which the minimum limits of insurance you agreed to provide such person or organization in that written contract or agreement exceed the total limits of insurance of all applicable underlying insurance; or
    - **(2)** The limits of insurance of this policy; whichever is less; and
  - b. Coverage under this policy does not apply to such person or organization if the minimum limits of insurance you agreed to provide such person or organization in that written contract or agreement are wholly within the total limits of insurance of all available applicable underlying insurance.

#### B. COVERAGE B - UMBRELLA LIABILITY

With respect to Coverage B:

- **1.** The Named Insured shown in the Declarations is an insured.
- **2.** If you are:
  - **a.** An individual, your spouse is also an insured, but only with respect to the conduct of a business of which you are the sole owner.

Page 4 of 22

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- **b.** A partnership or joint venture, your members, your partners and their spouses are also insureds, but only with respect to the conduct of your business.
- **c.** A limited liability company, your members are also insureds, but only with respect to the conduct of your business. Your managers are also insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, your officers and directors are also insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- **e.** A trust, your trustees are also insureds, but only with respect to their duties as trustees.
- **3.** Each of the following is also an insured:
  - a. Your volunteer workers only while performing duties related to the conduct of your business, or your employees, other than either your officers (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these employees or volunteer workers are insureds for:
    - (1) Bodily injury or personal injury:
      - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-employee while in the course of his or her employment or performing duties related to the conduct of your business, or to your other volunteer workers while performing duties related to the conduct of your business;
      - (b) To the spouse, child, parent, brother or sister of that coemployee or volunteer worker as a consequence of Paragraph (1)(a) above;
      - (c) For which there is any obligation to share damages with or repay someone else who must pay

- damages because of the injury described in Paragraph (1)(a) or (b) above; or
- **(d)** Arising out of his or her providing or failing to provide professional health care services.

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to bodily injury arising out of providing or failing to provide first aid or Good Samaritan services by any of your employees or volunteer workers other than an employed or volunteer doctor. Any such employees or volunteer workers providing or failing to provide first aid or Good Samaritan services during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

- (2) Property damage to property:
  - (a) Owned, occupied or used by; or
  - **(b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your employees or volunteer workers, any of your partners or members (if you are a partnership or joint venture), or any of your members (if you are a limited liability company).

- **b.** Any person (other than your employee or volunteer worker), or any organization, while acting as your real estate manager.
- **c.** Any person or organization having proper temporary custody of your property if you die, but only:
  - (1) With respect to liability arising out of the maintenance or use of that property; and
  - **(2)** Until your legal representative has been appointed.
- **d.** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.
- **4.** Any organization, other than a partnership, joint venture or limited liability company, of which you are the sole owner, or in which you

maintain an ownership interest of more than 50%, on the first day of the policy period is an insured and will qualify as a Named Insured. No such organization is an insured or will qualify as a Named Insured for bodily injury or property damage that occurred, or personal injury or advertising injury caused by an offense committed after the date, if any, during the policy period, that you no longer maintain an ownership interest of more than 50% in such organization.

- 5. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and of which you are the sole owner, or in which you maintain an ownership interest of more than 50%, is an insured and will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
  - **b.** Coverage for such organization does not apply to:
    - (1) Bodily injury or property damage that occurred; or
    - (2) Personal injury or advertising injury arising out of an offense committed;

before you acquired or formed the organization.

No person or organization is an insured or will qualify as a Named Insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations. This paragraph does not apply to any such partnership, joint venture or limited liability company that otherwise qualifies as an insured under Paragraph B. of SECTION II - WHO IS AN INSURED.

#### C. COVERAGE C -CRISIS MANAGEMENT SERVICE EXPENSES

With respect to Coverage C, the following persons and organizations are insureds and will qualify as Named Insureds:

- The Named Insured shown in the Declarations.
- 2. Any organization, other than a partnership, joint venture or limited liability company, of which you are the sole owner, or in which vou maintain an ownership interest of more than 50%, on the first day of the policy period. No such organization is an insured or will qualify as a Named Insured for crisis management service expenses arising out of a crisis management event that first commences after

- the date, if any, during the policy period, that you no longer maintain an ownership interest of more than 50% in such organization.
- 3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and of which you are the sole owner, or in which you maintain an ownership interest of more than 50%, if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
  - **b.** Coverage for such organization does not apply to crisis management service arising out of a crisis expenses management event that occurred before you acquired or formed the organization, even if an executive officer only first becomes aware of an event occurrence that leads to such crisis management event after the date you acquired or formed the organization.

No person or organization is an insured or will qualify as a Named Insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

#### **SECTION III – LIMITS OF INSURANCE**

- **A.** The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay for the amounts described below to which this insurance applies regardless of the number of:
  - 1. Insureds;
  - **2.** Claims made or suits brought;
  - **3.** Number of vehicles involved:
  - 4. Persons or organizations making claims or bringing suits; or
  - **5.** Coverages provided under this insurance.

As indicated in Paragraph D.1. of SECTION I -COVERAGES, for any suit for which we have the right and duty to defend the insured under Coverage A, defense expenses will be within the limits of insurance of this policy when such expenses are within the limits of insurance of the applicable underlying insurance.

- B. The General Aggregate Limit is the most we will pay for the sum of all:
  - 1. Damages; and
  - 2. Defense expenses if such expenses are within the limits of insurance of this policy;

except:

- Damages and defense expenses because of bodily injury or property damage included in the auto hazard;
- **2.** Damages and defense expenses because of bodily injury or property damage included in the products-completed operations hazard; or
- **3.** Damages and defense expenses for which insurance is provided under any Aircraft Liability coverage included as underlying insurance to which no aggregate limit applies.
- **C.** The Products-Completed Operations Aggregate Limit is the most we will pay for the sum of all:
  - 1. Damages; and
  - **2.** Defense expenses if such expenses are within the limits of insurance of this policy;

because of bodily injury or property damage included in the products-completed operations hazard .

- **D.** Subject to Paragraph **B.** or **C.** above, whichever applies, the Occurrence Limit is the most we will pay for the sum of all:
  - Damages, and defense expenses if such expenses are within the limits of insurance of this policy, under Coverage A arising out of any one event to which the underlying insurance applies a limit of insurance that is separate from any aggregate limit of insurance; and
  - Damages under Coverage B because of all bodily injury, property damage, personal injury or advertising injury arising out of any one occurrence.

For the purposes of determining the applicable Occurrence Limit, all related acts or omissions committed in the providing or failing to provide first aid or Good Samaritan services to any one person will be considered one occurrence.

- **E.** The Crisis Management Service Expenses Limit is the most we will pay for the sum of all crisis management service expenses arising out of all crisis management events. Payment of such crisis management service expenses is in addition to, and will not reduce, any other limit of insurance of this policy.
- **F.** The limits of insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations. If the policy period is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for purposes of determining the limits of insurance.

#### **SECTION IV - EXCLUSIONS**

This insurance does not apply to:

**A.** With respect to Coverage **A** and Coverage **B**:

#### 1. Asbestos

- a. Damages arising out of the actual or alleged presence or actual, alleged or threatened dispersal of asbestos, asbestos fibers or products containing asbestos, provided that the damages are caused or contributed to by the hazardous properties of asbestos.
- b. Damages arising out of the actual or alleged presence or actual, alleged or threatened dispersal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that are part of any claim or suit which also alleges any damages described in Paragraph a. above.
- **c.** Any loss, cost or expense arising out of any:
  - (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, asbestos, asbestos fibers or products containing asbestos; or
  - (2) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, asbestos, asbestos fibers or products containing asbestos.

#### 2. Employment-Related Practices

Damages because of injury to:

- a. A person arising out of any:
  - (1) Refusal to employ that person;
  - (2) Termination of that person's employment; or
  - (3) Employment-related practice, policy, act or omission, such as coercion, demotion, evaluation, reassignment, discipline, failure to promote or advance, harassment, humiliation, discrimination, libel, slander, violation of the person's right of privacy, malicious prosecution or false arrest, detention or imprisonment, applied to or directed at that person, regardless of whether such practice, policy, act or omission occurs, is applied or is

committed before, during or after the time of that person's employment; or

b. The spouse, child, parent, brother or sister of that person as a consequence of injury to that person as described in Paragraphs a.(1), (2) or (3) above.

This exclusion applies:

- **a.** Whether the insured may be liable as an employer or in any other capacity; and
- **b.** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

#### 3. ERISA, COBRA And Similar Laws

Any obligation of the insured under:

- a. The Employees Retirement Income Security Act Of 1974 (ERISA) or any of its amendments;
- **b.** The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) or any of its amendments; or
- **c.** Any similar common or statutory law of any jurisdiction.

#### 4. Medical Expenses Or Payments

Any obligation of the insured under any medical expenses or medical payments coverage.

#### 5. Nuclear Material

Damages arising out of:

- **a.** The actual, alleged or threatened exposure of any person or property to; or
- **b.** The hazardous properties of;

any nuclear material.

As used in this exclusion:

- **a.** Hazardous properties includes radioactive, toxic or explosive properties;
- Nuclear material means source material, special nuclear material or byproduct material; and
- **c.** Source material, special nuclear material and by-product material have the meanings given them in the Atomic Energy Act of 1954 or any of its amendments.

#### 6. Uninsured or Underinsured Motorists, No-Fault And Similar Laws

Any liability imposed on the insured, or the insured's insurer, under any of the following laws:

- a. Uninsured motorists;
- **b.** Underinsured motorists;

- **c.** Auto no-fault or other first-party personal injury protection (PIP);
- **d.** Supplementary uninsured/underinsured motorists (New York); or
- **e.** Medical expense benefits and income loss benefits (Virginia).

#### 7. War

Damages arising out of:

- **a.** War, including undeclared or civil war; or
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- **c.** Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

#### 8. Workers Compensation And Similar Laws

Any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.

#### **B.** With respect to Coverage **B**:

#### Expected Or Intended Bodily Injury Or Property Damage

Bodily injury or property damage expected or intended from the standpoint of the insured. This exclusion does not apply to bodily injury or property damage resulting from the use of reasonable force to protect persons or property.

#### 2. Contractual Liability

Bodily injury, property damage, personal injury or advertising injury for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

#### 3. Liquor Liability

Bodily injury or property damage for which any insured may be liable by reason of:

a. Causing or contributing to the intoxication of any person, including causing or contributing to the intoxication of any person because alcoholic beverages were permitted to be brought on your premises for consumption on your premises;

Page 8 of 22

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- **b.** The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- **c.** Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

#### 4. Employers Liability

Bodily injury to:

- a. An employee of the insured arising out of and in the course of:
  - (1) Employment by the insured; or
  - **(2)** Performing duties related to the conduct of the insured's business; or
- **b.** The spouse, child, parent, brother or sister of that employee as a consequence of bodily injury described in Paragraph **a.** above.

This exclusion applies:

- **a.** Whether the insured may be liable as an employer or in any other capacity; and
- **b.** To any obligation to share damages with or repay someone else who must pay damages because of the bodily injury .

#### 5. Pollution

- a. Bodily injury, property damage, personal injury or advertising injury arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants.
- **b.** Any loss, cost or expense arising out of any:
  - (1) Request, demand, order or statutory or regulatory requirement that any insured or any other person or organization test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants; or
  - (2) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, pollutants.

#### 6. Aircraft

Bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft owned or operated by or rented or loaned to any insured. Use includes operation and loading or unloading.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the occurrence which caused the bodily injury or property damage involved the ownership, maintenance, use or entrustment to others of any aircraft that is owned or operated by or rented or loaned to any insured.

#### 7. Auto

Bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any auto. Use includes operation and loading or unloading.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the occurrence which caused the bodily injury or property damage involved the ownership, maintenance, use or entrustment to others of any auto .

This exclusion does not apply to bodily injury or property damage caused by an occurrence that takes place outside of the United States of America (including its territories and possessions), Puerto Rico and Canada.

#### 8. Watercraft

Bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any watercraft owned or operated by or rented or loaned to any insured. Use includes operation and loading or unloading .

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the occurrence which caused the bodily injury or property damage involved the ownership, maintenance, use or entrustment to others of any watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to a watercraft:

- **a.** While ashore on premises owned by or rented to any insured; or
- **b.** That is 50-feet long or less and that:
  - (1) You own; or

(2) You do not own and is not being used to carry any person or property for a charge.

#### 9. Electronic Data

Damages claimed for the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data .

#### 10. Damage To Property, Products Or Work

Property damage to:

- a. Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person or organization, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- **b.** Premises you sell, give away or abandon if the property damage arises out of any part of those premises;
- c. Property loaned to you;
- **d.** Personal property in the care, custody or control of the insured;
- e. That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations if the property damage arises out of those operations;
- f. That particular part of any property that must be restored, repaired or replaced because your work was incorrectly performed on it;
- **g.** Your product arising out of your product or any part of it; or
- **h.** Your work arising out of your work or any part of it and included in the products-completed operations hazard .

## 11. Damage To Impaired Property Or Property Not Physically Injured

Property damage to impaired property, or property that has not been physically injured, arising out of:

- A defect, deficiency, inadequacy or dangerous condition in your product or your work; or
- **b.** A delay or failure by you, or anyone acting on your behalf, to fulfill the terms of a contract or agreement.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to your product or your work after it has been put to its intended use.

## 12. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a. Your product;
- **b.** Your work ; or
- **c.** Impaired property ;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

## 13. Violation Of Consumer Financial Protection Laws

Bodily injury, property damage, personal injury or advertising injury arising out of any actual or alleged violation of a consumer financial protection law, or any other bodily injury, property damage, personal injury or advertising injury alleged in any claim or suit that also alleges any such violation.

#### 14. Unsolicited Communication

Bodily injury, property damage, personal injury or advertising injury arising out of any actual or alleged violation of any law that restricts or prohibits the sending, transmitting or distributing of unsolicited communication.

#### 15. Access Or Disclosure Of Confidential Or Personal Information

Bodily injury, property damage, personal injury or advertising injury arising out of any access to or disclosure of any person's or organization's confidential or personal information.

#### 16. Knowing Violation Of Rights Of Another

Personal injury or advertising injury caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict personal injury or advertising injury.

## 17. Material Published With Knowledge Of Falsity

Personal injury or advertising injury arising out of oral or written publication, including publication by electronic means, of material, if done by or at the direction of the insured with knowledge of its falsity.

Page 10 of 22

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### 18. Material Published Or Used Prior To Policy Period

- a. Personal injury or advertising injury arising out of oral or written publication, including publication by electronic means, of material whose first publication took place before the beginning of the policy period; or
- b. Advertising injury arising out of infringement of copyright, title or slogan in your advertisement whose first infringement in your advertisement was committed before the beginning of the policy period.

#### 19. Criminal Acts

Personal injury or advertising injury arising out of a criminal act committed by or at the direction of the insured.

#### 20. Breach Of Contract

Personal injury or advertising injury arising out of a breach of contract.

## 21. Quality Or Performance Of Goods – Failure To Conform To Statements

Advertising injury arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your advertisement.

#### 22. Wrong Description Of Prices

Advertising injury arising out of the wrong description of the price of goods, products or services stated in your advertisement .

#### 23. Intellectual Property

Personal injury or advertising injury arising out of any actual or alleged infringement or violation of any of the following rights or laws, or any other personal injury or advertising injury alleged in any claim or suit that also alleges any such infringement or violation:

- a. Copyright;
- **b.** Patent:
- c. Trade dress:
- d. Trade name:
- e. Trademark;
- f. Trade secret; or
- g. Other intellectual property rights or laws.

This exclusion does not apply to:

 Advertising injury arising out of any actual or alleged infringement or violation of another's copyright, title or slogan in your advertisement; or **b.** Any other personal injury or advertising injury alleged in any claim or suit that also alleges any such infringement or violation of another's copyright, title or slogan in your advertisement.

## 24. Insureds In Media And Internet Type Business

Personal injury or advertising injury arising out of an offense committed by an insured whose business is:

- a. Advertising, broadcasting or publishing;
- **b.** Designing or determining content of websites for others; or
- c. An Internet search, access, content or service provider.

This exclusion does not apply to Paragraphs a.(1), (2) and (3) of the definition of personal injury .

For the purposes of this exclusion:

- a. Creating and producing correspondence written in the conduct of your business, bulletins, financial or annual reports, or newsletters about your goods, products or services will not be considered the business of publishing; and
- **b.** The placing of frames, borders or links, or advertising, for you or others anywhere on the Internet will not, by itself, be considered the business of advertising, broadcasting or publishing.

#### 25. Electronic Chatrooms Or Bulletin Boards

Personal injury or advertising injury arising out of an electronic chatroom or bulletin board the insured hosts, owns or over which the insured exercises control.

#### 26. Unauthorized Use Of Another's Name Or Product

Personal injury or advertising injury arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

#### **C.** With respect to Coverage **C**:

## Newly Acquired, Controlled Or Formed Entities

Crisis management service expenses arising out of a crisis management event that involves any organization you newly acquire or form and that occurred prior to the date you acquired or formed that organization, even if an executive officer only first becomes aware of an event or occurrence that leads to such crisis

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Page 11 of 22

management event after the date you acquired or formed such organization.

#### **SECTION V - CONDITIONS**

#### A. APPEALS

- If the insured or the insured's underlying insurer elects not to appeal a judgment which exceeds the applicable underlying limit or self-insured retention, we may do so.
- 2. If we appeal such a judgment, we will pay all costs of the appeal. These payments will not reduce the applicable limits of insurance. In no event will our liability exceed the applicable limit of insurance.

#### **B. BANKRUPTCY**

- **1.** Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this insurance.
- 2. In the event of bankruptcy or insolvency of any underlying insurer, this insurance will not replace such bankrupt or insolvent underlying insurer's policy, and this insurance will apply as if such underlying insurer had not become bankrupt or insolvent.

#### C. CANCELLATION

- **1.** The first Named Insured shown in the Declarations may cancel this insurance by mailing or delivering to us advance written notice of cancellation.
- 2. We may cancel this insurance by mailing or delivering to such first Named Insured written notice of cancellation at least:
  - **a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - **b.** 60 days before the effective date of cancellation if we cancel for any other reason.
- We will mail or deliver our notice to such first Named Insured's last mailing address known to us.
- **4.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- 5. If this insurance is cancelled, we will send such first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If such first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- **6.** If notice is mailed, proof of mailing will be sufficient proof of notice.

#### D. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. No change can be made in the terms of this insurance except with our consent. The terms of this insurance can be amended or waived only by endorsement issued by us and made a part of this policy.

#### E. CURRENCY

Payments for damages or expenses described in Paragraph 5. of Paragraph D., DEFENSE AND SUPPLEMENTARY PAYMENTS, of SECTION I — COVERAGES will be in the currency of the United States of America. At our sole option, we may make these payments in a different currency. Any necessary currency conversion for such payments will be calculated based on the rate of exchange published in the Wall Street Journal immediately preceeding the date the payment is processed.

## F. DUTIES REGARDING AN EVENT, OCCURRENCE, CLAIM OR SUIT

- You must see to it that we are notified as soon as practicable of an event or occurrence which may result in a claim under this insurance. To the extent possible, notice should include:
  - **a.** How, when and where the event or occurrence took place;
  - **b.** The names and addresses of any persons or organizations sustaining injury, damage or loss, and the names and addresses of any witnesses; and
  - **c.** The nature and location of any injury or damage arising out of the event or occurrence .
- 2. If a claim is made or suit is brought against any insured which may result in a claim under this insurance, you must see to it that we receive written notice of the claim or suit as soon as practicable.
- With respect to Coverage A, the insured must:
  - **a.** Cooperate with us in the investigation, settlement or defense of any claim or suit :
  - **b.** Comply with the terms of the underlying insurance; and
  - c. Pursue all rights of contribution or indemnity against any person or organization who may be liable to the insured because of the injury, damage or loss for which insurance is provided under

Page 12 of 22

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this policy or any policy of underlying insurance .

- **4.** With respect to Coverage **B**, the insured must:
  - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
  - **b.** Authorize us to obtain necessary records and other information:
  - c. Cooperate with us in the investigation, settlement or defense of any claim or suit; and
  - **d.** Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which Coverage **B** may apply.
- 5. No insured will, except at that insured's own expense, voluntarily make a payment, assume any obligation, make any admission or incur any expense, other than for first aid for bodily injury covered by this insurance, without our consent.
- 6. Knowledge of an event , occurrence , claim or suit by your agent, servant or employee will not constitute knowledge by you, unless your insurance or risk manager, or anyone working in the capacity as your insurance or risk manager, or anyone you designate with the responsibility of reporting an event , occurrence , claim or suit :
  - **a.** Has received notice of such event, occurrence, claim or suit from such agent, servant or employee; or
  - **b.** Otherwise has knowledge of such event, occurrence, claim or suit.

## G. DUTIES REGARDING A CRISIS MANAGEMENT EVENT

You must:

- **1.** Notify us within 30 days of a crisis management event that may result in crisis management service expenses .
- **2.** Provide written notice of the crisis management event as soon as practicable. To the extent possible, notice should include:
  - **a.** How, when and where that crisis management event took place;
  - b. The names and addresses of any persons or organizations sustaining injury, damage or loss, and the named and addresses of any witnesses;

- **c.** The nature and location of any injury or damage arising out of that crisis management event; and
- d. The reason that crisis management event is likely to involve damages covered by this insurance in excess of the applicable underlying limit or selfinsured retention and involve regional or national media coverage.

## H. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this insurance:

- 1. At any time during the policy period;
- **2.** Up to three years after the end of the policy period; and
- **3.** Within one year after final settlement of all claims under this insurance.

#### I. EXTENDED REPORTING PERIOD OPTION

- When the underlying insurance applies on a claims-made basis, any automatic or basic extended reporting period in such underlying insurance will apply to this insurance.
- 2. When the underlying insurance applies on a claims-made basis and you elect to purchase an optional or supplemental extended reporting period in such underlying insurance, that extended reporting period will apply to this insurance only if:
  - **a.** A written request to purchase an Extended Reporting Period endorsement for this insurance is made by you and received by us within 90 days after the end of the policy period;
  - **b.** You have paid all premiums due for this policy at the time you make such request;
  - c. You promptly pay the additional premium we charge for the Extended Reporting Period endorsement for this insurance when due. We will determine that additional premium after we have received your request for the Extended Reporting Period endorsement for this insurance. That additional premium is not subject to any limitation stated in the underlying insurance on the amount or percentage of additional premium that may be charged for the extended reporting period in such underlying insurance; and

- **d.** That Extended Reporting Period endorsement is issued by us and made a part of this policy.
- **3.** Any Extended Reporting Period endorsement for this insurance will not reinstate or increase the Limits of Insurance or extend the policy period.
- **4.** Except with respect to any provisions to the contrary contained in Paragraphs **1.**, **2.** or **3.** above, all provisions of any option to purchase an extended reporting period granted to you in the underlying insurance apply to this insurance.

#### J. INSPECTIONS AND SURVEYS

- **1.** We have the right but are not obligated to:
  - **a.** Make inspections and surveys at any time;
  - Give you reports on the conditions we find; and
  - c. Recommend changes.
- 2. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that conditions:
  - a. Are safe or healthful; or
  - Comply with laws, regulations, codes or standards.

#### K. LEGAL ACTION AGAINST US

- **1.** No person or organization has a right under this insurance:
  - To join us as a party or otherwise bring us into a suit asking for damages from an insured; or
  - **b.** To sue us on this insurance unless all of its terms have been fully complied with.
- 2. A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured. We will not be liable for damages that:
  - **a.** Are not payable under the terms of this insurance; or
  - **b.** Are in excess of the applicable limit of insurance.

An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

#### L. MAINTENANCE OF UNDERLYING INSURANCE

**1.** The insurance afforded by each policy of underlying insurance will be maintained for

- the full policy period of this Excess Follow-Form And Umbrella Liability Insurance. This provision does not apply to the reduction or exhaustion of the aggregate limit or limits of underlying insurance solely payments as permitted in Paragraphs 4.a.(1), (2) and (3) of COVERAGE A - EXCESS FOLLOW-FORM LIABILITY of SECTION I -COVERAGES. As such policies expire, you will renew them at limits and with coverage at least equal to the expiring limits of insurance. If you fail to comply with the above requirements, Coverage A is not invalidated. However, in the event of a loss, we will pay only to the extent that we would have paid had you complied with the above requirements.
- **2.** The first Named Insured shown in the Declarations must give us written notice of any change in the underlying insurance as respects:
  - **a.** Coverage;
  - **b.** Limits of insurance;
  - c. Termination of any coverage; or
  - **d.** Exhaustion of aggregate limits.
- 3. If you are unable to recover from any underlying insurer because you fail to comply with any term or condition of the underlying insurance, Coverage A is not invalidated. However, we will pay for any loss only to the extent that we would have paid had you complied with that term or condition in that underlying insurance.

#### M. OTHER INSURANCE

This insurance is excess over any valid and collectible other insurance whether such other insurance is stated to be primary, contributing, excess, contingent or otherwise. This provision does not apply to a policy bought specifically to apply as excess of this insurance.

However, if you specifically agree in a written contract or agreement that the insurance provided to any person or organization that qualifies as an insured under this insurance must apply on a primary basis, or a primary and non-contributory basis, then insurance provided under Coverage A is subject to the following provisions:

- 1. This insurance will apply before any other insurance that is available to such additional insured which covers that person or organization as a named insured, and we will not share with that other insurance, provided that the injury or damage for which coverage is sought is caused by an event that takes place or is committed subsequent to the signing of that contract or agreement by you.
- 2. This insurance is still excess over any valid and collectible other insurance, whether primary, excess, contingent or otherwise, which covers that person or organization as an additional insured or as any other insured that does not qualify as a named insured.

#### N. PREMIUM

- The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums.
- 2. If the premium is a flat charge, it is not subject to adjustment except as provided in Paragraph 4. below.
- 3. If the premium is other than a flat charge, it is an advance premium only. The earned premium will be computed at the end of the policy period, or at the end of each year of the policy period if the policy period is two years or longer, at the rate shown in the Declarations, subject to the Minimum Premium.
- Additional premium may become payable when coverage is provided for additional insureds under the provisions of SECTION II – WHO IS AN INSURED.

#### O. PREMIUM AUDIT

The premium for this policy is the amount stated in Item **5.** of the Declarations. The premium is a flat charge unless it is specified in the Declarations as adjustable.

## P. PROHIBITED COVERAGE – UNLICENSED INSURANCE

- 1. With respect to loss sustained by any insured in a country or jurisdiction in which we are not licensed to provide this insurance, this insurance does not apply to the extent that insuring such loss would violate the laws or regulations of such country or jurisdiction.
- **2.** We do not assume responsibility for:
  - a. The payment of any fine, fee, penalty or other charge that may be imposed on any person or organization in any country or jurisdiction because we are not licensed to

- provide insurance in such country or jurisdiction; or
- **b.** The furnishing of certificates or other evidence of insurance in any country or jurisdiction in which we are not licensed to provide insurance.

## Q. PROHIBITED COVERAGE – TRADE OR ECONOMIC SANCTIONS

We will provide coverage for any loss, or otherwise will provide any benefit, only to the extent that providing such coverage or benefit does not expose us or any of our affiliated or parent companies to:

- Any trade or economic sanction under any law or regulation of the United States of America; or
- **2.** Any other applicable trade or economic sanction, prohibition or restriction.

#### **R. REPRESENTATIONS**

By accepting this insurance, you agree:

- **1.** The statements in the Declarations and any subsequent notice relating to underlying insurance are accurate and complete;
- **2.** Those statements are based upon representations you made to us; and
- **3.** We have issued this insurance in reliance upon your representations.

#### S. SEPARATION OF INSUREDS

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured shown in the Declarations, this insurance applies:

- As if each Named Insured were the only Named Insured: and
- **2.** Separately to each insured against whom claim is made or suit is brought.

### T. WAIVER OR TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

 If the insured has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us and the insured must do nothing after loss to impair them. At our request, the insured will bring suit or transfer those rights to us and help us, and with respect to Coverage A, the underlying insurer, enforce them.

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against that person or organization, but only for payments we make because of an event that takes place or is committed subsequent to the

EU 00 01 07 16

Page 15 of 22

execution of that contract or agreement by such insured

- **2.** Reimbursement of any amount recovered will be made in the following order:
  - a. First, to any person or organization (including us or the insured) who has paid any amount in excess of the applicable limit of insurance;
  - **b.** Next, to us; and
  - **c.** Then, to any person or organization (including the insured and with respect to Coverage **A**, the underlying insurer) that is entitled to claim the remainder, if any.
- **3.** Expenses incurred in the process of recovery will be divided among all persons or organizations receiving amounts recovered according to the ratio of their respective recoveries.

# U. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS INSURANCE

- Your rights and duties under this insurance may not be transferred without our written consent except in the case of death of an individual Named Insured.
- 2. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

#### V. UNINTENTIONAL OMISSION OR ERROR

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

### W. WHEN LOSS IS PAYABLE

If we are liable under this insurance, we will pay for injury, damage or loss after:

- 1. The insured's liability is established by:
  - a. A court decision; or
  - **b.** A written agreement between the claimant, the insured, any underlying insurer and us; and
- **2.** The amount of the applicable underlying limit or self-insured retention is paid by or on behalf of the insured.

### **SECTION VI – DEFINITIONS**

- **A.** With respect to all coverages of this insurance:
  - 1. Applicable underlying limit means the sum of:
    - a. The applicable limit of insurance stated for the policies of underlying insurance in the Schedule Of Underlying Insurance subject to the provisions in Paragraphs 4.a.(1), (2) and (3) of COVERAGE A EXCESS FOLLOW-FORM LIABILITY of SECTION I COVERAGES; and
    - **b.** The applicable limit of insurance of any other insurance that applies.

The limits of insurance in any policy of underlying insurance will apply even if:

- **a.** The underlying insurer claims the insured failed to comply with any term or condition of the policy; or
- **b.** The underlying insurer becomes bankrupt or insolvent.
- Auto hazard means all bodily injury and property damage to which liability insurance afforded under an auto policy of underlying insurance would apply but for the exhaustion of its applicable limits of insurance.
- 3. Electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- **4.** Event means an occurrence, offense, accident, act, error, omission, wrongful act or loss.
- 5. Extended reporting period means any period of time, starting with the end of the policy period of your claims-made insurance, during which claims or suits may be first made, brought or reported for that insurance.
- **6.** Medical expenses means expenses to which any Medical Payments section of any policy of Commercial General Liability underlying insurance applies.
- **7.** Other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:
  - a. Another insurance company;
  - **b.** Us or any of our affiliated insurance companies;
  - **c.** Any risk retention group;

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**UMBRELLA** 

- **d.** Any self-insurance method or program, in which case the insured will be deemed to be the provider of such insurance; or
- e. Any similar risk transfer or risk management method.

Other insurance does not include:

- a. Any underlying insurance; or
- **b.** Any policy of insurance specifically purchased to be excess of the limits of insurance of this policy shown in the Declarations.
- **8.** Products-completed operations hazard:
  - a. Includes all bodily injury and property damage occurring away from premises you own or rent and arising out of your product or your work except:
    - (1) Products that are still in your physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, your work will be deemed completed at the earliest of the following times:
      - (a) When all the work called for in your contract has been completed;
      - (b) When all the work to be done at the job site has been completed if your contract calls for work at more than one job site; or
      - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- **b.** Does not include bodily injury or property damage arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the loading or unloading of that vehicle by any insured:
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) Products or operations for which the classification listed in a policy of

Commercial General Liability underlying insurance states that products-completed operations are subject to the General Aggregate Limit.

- **9.** Suit means a civil proceeding which alleges damages. Suit includes:
  - An arbitration proceeding in which damages are claimed and to which the insured must submit or does submit with our consent; or
  - **b.** Any other alternative dispute resolution proceeding to which the insured submits with our consent.
- **10.** Underlying insurance :
  - **a.** Means the policy or policies of insurance listed in the Schedule Of Underlying Insurance.
  - **b.** Includes any renewal or replacement of such policies if such renewal or replacement is during the policy period of this Excess Follow-Form And Umbrella Liability Insurance.
  - c. Does not include any part of the policy period of any of the policies described in Paragraphs a. or b. above that began before, or that continues after, the policy period of this Excess Follow-Form And Umbrella Liability Insurance.
- **11.** Underlying insurer means any insurer which provides a policy of insurance listed in the Schedule Of Underlying Insurance.
- **B.** With respect to Coverage **B** and, to the extent that the following terms are not defined in the underlying insurance, to Coverage **A**:
  - 1. Advertisement means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
    - Notices that are published include material placed on the Internet or on similar electronic means of communication; and
    - **b.** Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
  - **2.** Advertising injury:

EU 00 01 07 16

Page 17 of 22

- a. Means injury, other than personal injury, caused by one or more of the following offenses:
  - (1) Oral or written publication, including publication by electronic means, of material in your advertisement that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the suit is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged;
  - (2) Oral or written publication, including publication by electronic means, of material in your advertisement that:
    - (a) Appropriates a person's name, voice, photograph or likeness; or
    - **(b)** Unreasonably places a person in a false light; or
  - (3) Infringement of copyright, title or slogan in your advertisement, provided that the claim is made or the suit is brought by a person or organization that claims ownership of such copyright, title or slogan.
- **b.** Includes bodily injury caused by one or more of the offenses described in Paragraph **a.** above.
- 3. Auto means:
  - A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, auto does not include mobile equipment .

- 4. Bodily injury means:
  - **a.** Physical harm, including sickness or disease, sustained by a person; or
  - b. Mental anguish, injury or illness, or emotional distress, resulting at any time from such physical harm, sickness or disease.
- **5.** Broadcasting means transmitting any audio or visual material for any purpose:
  - a. By radio or television; or

- **b.** In, by or with any other electronic means of communication, such as the Internet, if that material is part of:
  - **(1)** Radio or television programming being transmitted;
  - (2) Other entertainment, educational, instructional, music or news programming being transmitted; or
  - **(3)** Advertising transmitted with any such programming.
- **6.** Consumer financial identity information means any of the following information for a person that is used or collected for the purpose of serving as a factor in establishing such person's eligibility for personal credit, insurance or employment or for the purpose of conducting a business transaction:
  - a. Part or all of the account number, the expiration date or the balance of any credit, debit, bank or other financial account;
  - **b.** Information bearing on a person's credit worthiness, credit standing or credit capacity;
  - c. Social security number;
  - d. Driver's license number; or
  - e. Birth date.
- 7. Consumer financial protection law means:
  - The Fair Credit Reporting Act (FCRA) and any of its amendments, including the Fair and Accurate Credit Transactions Act (FACTA);
  - **b.** California's Song-Beverly Credit Card Act and any of its amendments; or
  - **c.** Any other law or regulation that restricts or prohibits the collection, dissemination, transmission, distribution or use of consumer financial identity information .
- **8.** Employee includes a leased worker. Employee does not include a temporary worker.
- **9.** Good Samaritan services means any emergency medical services for which no compensation is demanded or received.
- **10.** Impaired property means tangible property, other than your product or your work , that cannot be used or is less useful because:
  - a. It incorporates your product or your work that is known or thought to be defective, deficient, inadequate or dangerous; or

Page 18 of 22

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**UMBRELLA** 

**b.** You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of your product or your work or your fulfilling the terms of the contract or agreement.

- 11. Leased worker means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. Leased worker does not include a temporary worker.
- **12.** Loading or unloading means the handling of property:
  - After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or auto;
  - **b.** While it is in or on an aircraft, watercraft or auto; or
  - c. While it is being moved from an aircraft, watercraft or auto to the place where it is finally delivered;

but loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or auto .

- **13.** Mobile equipment means any of the following types of land vehicles, including any attached machinery or equipment:
  - **a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads.
  - **b.** Vehicles maintained for use solely on or next to premises you own or rent.
  - **c.** Vehicles that travel on crawler treads.
  - **d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
    - Power cranes, shovels, loaders, diggers or drills; or
    - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers.
  - e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
    - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical

- exploration, lighting and well servicing equipment; or
- **(2)** Cherry pickers and similar devices used to raise or lower workers.
- f. Vehicles not described in Paragraph a., b.,
   c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not mobile equipment but will be considered autos:

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - **(b)** Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, mobile equipment does not include any land vehicle that is subject to a compulsory or financial responsibility law, or other motor vehicle insurance law, where it is licensed or principally garaged. Such land vehicles are considered autos.

- **14.** Occurrence means:
  - **a.** With respect to bodily injury or property damage :
    - (1) An accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results in bodily injury or property damage. All bodily injury or property damage caused by such exposure to substantially the same general harmful conditions will be deemed to be caused by one occurrence; or
    - (2) An act or omission committed in providing or failing to provide first aid or Good Samaritan services to a person by any of your employees or volunteer workers other than an employed or volunteer doctor, unless you are in the business or occupation of providing professional health care services;

#### **UMBRELLA**

- b. With respect to personal injury, an offense arising out of your business that results in personal injury. All personal injury caused by the same or related injurious material, act or offense will be deemed to be caused by one occurrence, regardless of the frequency or repetition thereof, the number and kind of media used or the number of persons or organizations making claims or bringing suits; and
- c. With respect to advertising injury, an offense committed in the course of advertising your goods, products and services that results in advertising injury. All advertising injury caused by the same or related injurious material, act or offense will be deemed to be caused by one occurrence, regardless of the frequency or repetition thereof, the number and kind of media used or the number of persons or organizations making claims or bringing suits.
- **15.** Officer means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

### **16.** Personal injury :

- **a.** Means injury, other than advertising injury, caused by one or more of the following offenses:
  - (1) False arrest, detention or imprisonment;
  - (2) Malicious prosecution;
  - (3) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, provided that the wrongful eviction, wrongful entry or invasion of the right of private occupancy is committed by or on behalf of the owner, landlord or lessor of that room, dwelling or premises;
  - (4) Oral or written publication, including publication by electronic means, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, provided that the claim is made or the suit is brought by a person or organization that claims to have been slandered or libeled, or that claims to have had its goods, products or services disparaged; or

- (5) Oral or written publication, including publication by electronic means, of material that:
  - (a) Appropriates a person's name, voice, photograph or likeness; or
  - **(b)** Unreasonably places a person in a false light.
- **b.** Includes bodily injury caused by one or more of the offenses described in Paragraph **a.** above.
- 17. Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- **18.** Property damage means:
  - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use will be deemed to occur at the time of the occurrence that caused it.

For the purposes of this insurance, electronic data is not tangible property.

- **19.** Self-insured retention is the greater of:
  - a. The amount shown in the Declarations which the insured must first pay under Coverage B for damages because of all bodily injury, property damage, personal injury or advertising injury arising out of any one occurrence; or
  - **b.** The applicable limit of insurance of any other insurance that applies.

### **20.** Slogan :

- **a.** Means a phrase that others use for the purpose of attracting attention in their advertising.
- **b.** Does not include a phrase used as, or in, the name of:
  - (1) Any person or organization other than you; or
  - (2) Any business, or any of the premises, goods, products, services or work, of any person or organization other than you.

Page 20 of 22

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- **21.** Temporary worker means a person who is furnished to you to substitute for a permanent employee on leave or to meet seasonal or short-term workload conditions.
- **22.** Title means the name of a literary or artistic work.
- 23. Unsolicited communication means any communication, in any form, that the recipient of such communication did not specifically request to receive.
- 24. Volunteer worker means a person who is not your employee, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed by you.

### **25.** Your product :

- a. Means:
  - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
    - (a) You;
    - **(b)** Others trading under your name; or
    - **(c)** A person or organization whose business or assets you have acquired; and
  - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

#### **b.** Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and
- **(2)** The providing of or failure to provide warnings or instructions.
- **c.** Does not include vending machines or other property rented to or located for the use of others but not sold.

#### 26. Your work:

- **a.** Means:
  - (1) Work or operations performed by you or on your behalf; and
  - (2) Materials, parts or equipment furnished in connection with such work or operations.
- **b.** Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your work; and
- **(2)** The providing of or failure to provide warnings or instructions.

#### **C.** With respect to Coverage **C**:

- Crisis management advisor means any public relations firm or crisis management firm approved by us that is hired by you to perform crisis management services in connection with a crisis management event.
- Crisis management event means an event or occurrence that your executive officer reasonably determines has resulted, or may result in:
  - a. Damages covered by this Coverage A or Coverage B that are in excess of the total applicable limits of the underlying insurance or self-insured retention; and
  - **b.** Significant adverse regional or national media coverage.
- **3.** Crisis management service expenses means amounts incurred by you, after a crisis management event first commences and before such event ends:
  - **a.** For the reasonable and necessary:
    - (1) Fees and expenses of a crisis management advisor in the performance for you of crisis management services solely for a crisis management event; and
    - (2) Costs for printing, advertising, mailing of materials or travel by your directors, officers, employees or agents or a crisis management advisor solely for a crisis management event; and
  - **b.** For the following expenses resulting from such crisis management event , provided that such expenses have been approved by us:
    - (1) Medical expenses;
    - (2) Funeral expenses;
    - (3) Psychological counseling;
    - (4) Travel expenses;
    - (5) Temporary living expenses;
    - (6) Expenses to secure the scene of a crisis management event; or
    - (7) Any other expenses pre-approved by us.

## Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 295 of 326

#### **UMBRELLA**

- **4.** Crisis management services means those services performed by a crisis management advisor in advising you or minimizing potential harm to you from a crisis management event by maintaining or restoring public confidence in you.
- 5. Executive officer means your:
  - a. Chief Executive Officer;
  - b. Chief Operating Officer;

- c. Chief Financial Officer;
- d. President:
- e. General Counsel;
- **f.** General partner (if you are a partnership); or
- **g.** Sole proprietor (if you are a sole proprietorship);

or any person acting in the same capacity as any individual listed above.

# AMENDMENT OF COVERAGE – DEFINITIONS

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

The following replaces the introduction to Paragraph B. of SECTION VI – DEFINITIONS:

With respect to Coverages **B** and **C** and, to the extent that the following terms are not defined in the underlying insurance, to Coverage **A**:

# NON CUMULATION OF OCCURRENCE LIMIT

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

**1.** The following is added to Paragraph **D.** of **SECTION III – LIMITS OF INSURANCE**:

Non cumulation of Occurrence Limit – If the following arise out of any one event :

- a. Damages, or defense expenses if such expenses are within the limits of insurance of this policy, to which this Excess Follow-Form And Umbrella Liability Insurance applies; and
- b. Damages to which Excess Follow-Form And Umbrella Liability Insurance, or any other umbrella or excess liability coverage, included in one or more prior or future policies issued to you by us, or any of our affiliated insurance companies, or defense expenses if such expenses are within the limits of insurance of such policy, applies;

this policy's Occurrence Limit applicable to that event also will be reduced by the amount of each payment made for the damages and defense expenses described in Paragraph b. above by us or any of our affiliated insurance companies under, and within the applicable limit of insurance of, each such other policy. If a Non cumulation of Personal and Advertising Injury Limit or a Non cumulation of Each Occurrence Limit provision in any such prior policy refers to a COMMERCIAL **EXCESS** (UMBRELLA) INSURANCE policy, this Excess Follow-Form And Umbrella Liability Insurance will be deemed to be a COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE policy for the purposes of each such provision.

The following is added to the definition of other insurance in Paragraph A. of SECTION VI – DEFINITIONS:

Other insurance also does not include insurance that is provided by, through or on behalf of us or any of our affiliated insurance companies when the Non cumulation of Occurrence Limit provision of Paragraph **D.** of **SECTION III – LIMITS OF INSURANCE** applies.

 The following is added to Paragraph 4. in Paragraph A., COVERAGE A – EXCESS FOLLOW-FORM LIABILITY, of SECTION I – COVERAGES:

For the purposes of Paragraph **a.(1)** above, payments of judgments or settlements for damages that would have been covered by underlying insurance, but are not only because of an Amendment — Non Cumulation Of Each Occurrence Limit Of Liability and Non Cumulation Of Personal and Advertising Injury Limit endorsement in that underlying insurance will be deemed to be payments of judgments or settlements for damages that are covered by that underlying insurance.

For the purposes of Paragraph **a.(3)** above, payments of defense expenses that would have been covered by that underlying insurance, but are not only because of an Amendment – Non Cumulation Of Each Occurrence Limit Of Liability and Non Cumulation Of Personal and Advertising Injury Limit endorsement in that underlying insurance will be deemed to be payments of defense expenses that are covered by that underlying insurance.

# COVERAGE FOR FINANCIAL INTEREST IN FOREIGN INSURED ORGANIZATIONS

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

 The following is added to Paragraph A., COVERAGE A – EXCESS FOLLOW-FORM LIABILITY, and Paragraph B., COVERAGE B – UMBRELLA LIABILITY, of SECTION I – COVERAGES:

If a foreign loss is incurred by a foreign insured organization, or by any other insured for whom such foreign insured organization is liable, we will reimburse the first Named Insured, or any other Named Insured that is not a foreign insured organization, for such foreign loss because of its financial interest in that foreign insured organization. For purposes of this insurance, amounts we reimburse under:

- **a.** Paragraph **a.** of the definition of foreign loss will be deemed to be sums that such Named Insured becomes legally obligated to pay as damages under this policy; and
- b. Paragraph b. of the definition of foreign loss will be deemed to be payments we make under Paragraph 5. of Paragraph D., DEFENSE AND SUPPLEMENTARY PAYMENTS, in SECTION I COVERAGES.
- 2. The following is added to **SECTION V CONDITIONS**:

# DUTIES IN THE EVENT OF A CLAIM OR SUIT FOR FOREIGN LOSS

If a claim or suit for foreign loss is made or brought against a foreign insured organization, or any other insured for whom such foreign insured organization is liable, the first Named Insured must:

- Arrange to investigate and defend such claim or suit;
- Notify us in writing in advance of any proposed settlement of such claim or suit; and
- **3.** Comply with all other conditions of this insurance as if such claim or suit were

made or brought against any insured that is not a foreign insured organization .

**3.** The following is added to Paragraph **A.** of **SECTION VI – DEFINITIONS**:

Financial interest means the insurable interest in a foreign insured organization because of:

- Sole ownership of, or majority ownership interest in, such foreign insured organization, either directly or through one or more intervening subsidiaries;
- **b.** Indemnification of, or an obligation to indemnify:
  - (1) Such foreign insured organization; or
  - (2) Any other insured for whom such foreign insured organization is liable;

for a foreign loss; or

**c.** An obligation to obtain insurance for such foreign insured organization .

Foreign insured organization means any organization that:

- a. Is an insured under SECTION II WHO IS AN INSURED; and
- **b.** Is located in a country or jurisdiction in which we are not licensed to provide this insurance and where providing this insurance would violate the laws or regulations of such country or jurisdiction.

#### Foreign loss means:

- a. Sums, in excess of the applicable underlying limit or self-insured retention, that an insured becomes legally obligated to pay as damages because of loss to which the insurance provided under this policy would have applied; or
- b. Payments described in Paragraph 5. of Paragraph D., DEFENSE AND SUPPLEMENTARY PAYMENTS in SECTION I COVERAGES that we would have made with respect to any claim or suit against an insured:

# Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 299 of 326 UMBRELLA

- (1) That we would have defended, investigated or settled; or
- **(2)** For which we would have paid our part of a judgment;

but for the fact that such insured is located in any country or jurisdiction in which we are not licensed to provide this insurance and where providing this insurance would violate the laws or regulations of such country or jurisdiction. POLICY NUMBER: CUP-9N868772-19-14

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM AND EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### CERTIFIED ACTS OF TERRORISM SELF-INSURED RETENTION SCHEDULE

**Self-Insured Retention For Certified Acts Of Terrorism:** 

# PROVISIONS

 The following is added to SECTION I – COVERAGES:

If aggregate insured losses attributable to certified acts of terrorism exceed \$100 billion in a calendar year and we have met our insurer deductible under TRIA, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

- 2. With respect to COVERAGE B UMBRELLA LIABILITY for any bodily injury, property damage, personal injury or advertising injury arising out of a certified act of terrorism:
  - a. The following replaces Paragraph 1. in Paragraph D., DEFENSE AND SUPPLEMENTARY PAYMENTS, of SECTION I – COVERAGES:
    - We will have the right, but not the duty, to defend the insured under COVERAGE B UMBRELLA LIABILITY against a suit seeking damages to which such coverage applies.
  - b. The following replaces the definition of selfinsured retention in Paragraph B. of SECTION VI – DEFINITIONS:

Self-insured retention means the Self-Insured Retention For Certified Acts Of Terrorism shown in the Certified Acts Of Terrorism Self-Insured Retention Schedule which the insured must first pay under Coverage **B** for damages because of all any bodily injury, property damage, personal

10,000

**Each Occurrence** 

injury or advertising injury included in any one occurrence. If no entry appears in the Certified Acts Of Terrorism Self-Insured Retention Schedule, the Self-Insured Retention For Certified Acts Of Terrorism is deemed to be \$1.000.000.

The following exclusion is added to Paragraph A. of SECTION IV – EXCLUSIONS:

# Acts Of Terrorism Committed Outside The United States

Damages arising out of any act of terrorism that is committed outside the United States of America (including its territories and possessions) and Puerto Rico.

This exclusion does not apply to damages arising out of any act of terrorism that results in loss occurring to:

- (1) An air carrier (as defined in Section 40102 of title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or
- (2) The premises of any United States mission.
- **4.** The following is added to Paragraph **A.** of **SECTION VI DEFINITIONS**:

Act of terrorism means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion.

Certified act of terrorism means an act that is certified by the Secretary of the Treasury, in

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Page 1 of 2

**UMBRELLA** 

accordance with the provisions of TRIA, to be an act of terrorism pursuant to TRIA. The criteria contained in TRIA for a certified act of terrorism include the following:

- **a.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to TRIA; and
- **b.** The act is a violent act or an act that is dangerous to human life, property or

infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

TRIA means the federal Terrorism Risk Insurance Act of 2002 as amended.

# AIRCRAFT PRODUCTS AND GROUNDING EXCLUSION – COVERAGE B

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

The following exclusion is added to Paragraph B. of SECTION IV – EXCLUSIONS:

### **Aircraft Products and Grounding**

Bodily injury or property damage arising out of any aircraft product or the grounding of any aircraft.

2. The following is added to Paragraph B. of SECTION VI – DEFINITIONS:

Aircraft product means:

- **a.** Aircraft, including missile or spacecraft, and any ground support or control equipment used with any aircraft, missile or spacecraft;
- **b.** Any of your products manufactured for, used in connection with or incorporated into aircraft, aircraft parts, aircraft equipment or aircraft accessories, including ground handling tools and equipment;
- **c.** Any of your products used for the purpose of guidance, navigation or direction of aircraft, whether an aircraft is in flight or on the ground; or

**d.** Training aids, navigation charts, navigation aids, manuals, blueprints, engineering or other data or advice, services and labor relating to such aircraft or products.

Grounding means the withdrawal of one or more aircraft from flight operations or the imposition of speed, passenger or load restrictions on such aircraft, by reason of the actual, alleged or suspected existence of any defect, fault or condition in such aircraft or any part thereof:

- Sold, handled or distributed by the insured; or
- **b.** Manufactured, assembled or processed by any other person or organization:
  - According to specifications, plans, suggestions, orders or drawings of the insured: or
  - (2) With tools, machinery or other equipment furnished to such persons or organizations by the insured;

whether such aircraft so withdrawn or restricted are owned or operated by the same or different persons or organizations.

# NUCLEAR ENERGY LIABILITY EXCLUSION (BROAD FORM) – COVERAGES A AND B

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

 The following replaces Exclusion 5., Nuclear Material, in Paragraph A. of SECTION IV – EXCLUSIONS:

### **Nuclear Energy Liability (Broad Form)**

- **a.** Under any Liability Coverage, to bodily injury or property damage :
  - (1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - (2) Resulting from the hazardous properties of nuclear material and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- b. Under any Medical Payments coverage, to expenses incurred with respect to bodily injury resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- **c.** Under any Liability Coverage, to bodily injury or property damage resulting from hazardous properties of nuclear material if:
  - (1) The nuclear material (a) is at any nuclear facility owned by, or operated by

- or on behalf of, an insured or **(b)** has been discharged or dispersed therefrom;
- (2) The nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or
- (3) The bodily injury or property damage arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to property damage to such nuclear facility and any property thereat.
- 2. The following is added to Paragraph A. of **SECTION VI DEFINITIONS**:

Hazardous properties includes radioactive, toxic or explosive properties.

Nuclear material means source material, special nuclear material or by-product material.

Source material, special nuclear material, and by-product material have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

Spent fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor.

Waste means any waste material (a) containing by-product material other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content, and (b) resulting from the operation by any person or organization of any nuclear facility included under the first two paragraphs of the definition of nuclear facility .

Page 1 of 2

Nuclear facility means:

- **a.** Any nuclear reactor;
- Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste;
- c. Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or

- any combination thereof, or more than 250 grams of uranium 235; or
- **d.** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste.

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

Nuclear reactor means any apparatus designed or used to sustain nuclear fission in a selfsupporting chain reaction or to contain a critical mass of fissionable material.

Property damage includes all forms of radioactive contamination of property.

# TOBACCO OR NICOTINE EXCLUSION – COVERAGES A AND B

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

The following exclusion is added to Paragraph A. of SECTION IV – EXCLUSIONS:

#### **Tobacco Or Nicotine**

Damages arising out of the:

- **a.** Sale, manufacture, handling, distribution, marketing or advertising of; or
- **b.** Actual, alleged or threatened absorption, consumption, ingestion, inhalation or use of, or exposure to,

any tobacco or tobacco product or nicotine or nicotine product .

2. The following is added to Paragraph A. of **SECTION VI – DEFINITIONS**:

Nicotine or nicotine product:

- a. Means:
  - Natural or synthetic nicotine, in any form; or
  - **(2)** Any good or product that contains natural or synthetic nicotine.
- **b.** Includes:
  - (1) Any material, substance, ingredient or element on, in or part of natural or synthetic nicotine;
  - (2) Any smoke, vapor, soot, fume or other substance that results from natural or synthetic nicotine, or from any good or product that contains natural or synthetic nicotine;
  - (3) Any filter, paper, tip, wrapper or other part of any good or product containing natural or synthetic nicotine;
  - (4) Any device used for the absorption, consumption, ingestion, inhalation or delivery of natural or synthetic nicotine, or any container, material, part, equipment or accessory furnished in connection with such device;

- (5) Any warranty or representation made at any time with respect to the fitness, quality, durability, performance or use of natural or synthetic nicotine, or with respect to any good or product that contains natural or synthetic nicotine; or
- **(6)** The providing of or failure to provide warnings or instructions with respect to natural or synthetic nicotine, or with respect to any good or product that contains natural or synthetic nicotine.

Tobacco or tobacco product:

- **a.** Means:
  - (1) Any type of tobacco, in any form; or
  - **(2)** Any good or product that contains tobacco.
- **b.** Includes:
  - (1) Any material, substance, ingredient or element on, in or part of tobacco;
  - (2) Any smoke, vapor, soot, fume or other substance that results from tobacco, or from any good or product that contains tobacco;
  - (3) Any filter, paper, tip, wrapper or other part of any good or product containing tobacco;
  - (4) Any device used for the absorption, consumption, ingestion, inhalation or delivery of tobacco, or any container, material, part, equipment or accessory furnished in connection with such device;
  - (5) Any warranty or representation made at any time with respect to the fitness, quality, durability, performance or use of tobacco, or with respect to any good or product that contains tobacco; or
  - **(6)** The providing of or failure to provide warnings or instructions with respect to tobacco, or with respect to any good or product that contains tobacco.

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**UMBRELLA** 

## THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

# EXTERIOR INSULATION AND FINISH SYSTEM EXCLUSION – COVERAGE B

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

The following exclusion is added to Paragraph B. of SECTION IV – EXCLUSIONS:

### **Exterior Insulation And Finish System**

Bodily injury, property damage, personal injury or advertising injury arising out of:

- a. The design, manufacture, construction, fabrication, distribution, sale, preparation, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any exterior insulation and finish system (commonly referred to as synthetic stucco or EIFS) or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashing, coatings, caulking or sealants in connection with such a system; or
- **b.** Your product or your work with respect to any exterior component, fixture or feature of any structure if an exterior insulation and finish system, or any substantially similar system, is used on any part of that structure.
- 2. The following is added to Paragraph B. of **SECTION VI DEFINITIONS**:

Exterior insulation and finish system means an exterior cladding or finish system used on any part of any structure and consisting of:

- **a.** A rigid or semi rigid insulation board made of expanded polystyrene or other materials;
- **b.** The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
- c. A reinforced base coat; and
- **d.** A finish coat providing surface texture and color.

# **DISCRIMINATION EXCLUSION – COVERAGE B**

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

The following exclusion is added to Paragraph **B.** of **SECTION IV – EXCLUSIONS**:

#### Discrimination

Bodily injury, property damage, personal injury or advertising injury arising out of discrimination based upon a person's sex, sexual orientation, marital status, pregnancy, race, color, creed, religion, national origin, citizenship, veteran status, age, genetic information or physical or mental disability, or any other characteristic, attribute, trait, condition or status that qualifies a person for protection against discrimination under federal, state or local law.

# FUNGI OR BACTERIA EXCLUSION – COVERAGE B – WASHINGTON

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

The following exclusion is added to Paragraph B. of SECTION IV – EXCLUSIONS:

### **Fungi Or Bacteria**

- a. Bodily injury, property damage, personal injury or advertising injury arising out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of or presence of any fungi or bacteria on or within a building or structure, including its contents.
- b. Bodily injury, property damage, personal injury or advertising injury arising out of the actual or alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of or presence of any other solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that is part of any claim or suit which also alleges any injury or damage described in Paragraph a. of this exclusion.
- **c.** Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or any other person or organization test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, fungi or bacteria; or
- (2) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, fungi or bacteria.

This exclusion does not apply to any fungi or bacteria that are, are on, or are contained in, a good or product intended for consumption.

**2.** The following is added to Paragraph **B.** of **SECTION VI – DEFINITIONS**:

Fungi means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

# **LEAD EXCLUSION – COVERAGE B**

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

### **PROVISIONS**

The following exclusion is added to Paragraph **B.** of **SECTION IV – EXCLUSIONS**:

#### Lead

- a. Bodily injury, property damage, personal injury or advertising injury arising out of the actual or alleged presence or actual, alleged or threatened dispersal, release, ingestion, inhalation or absorption of lead, lead compounds or lead which is or was contained or incorporated into any material or substance.
- b. Bodily injury, property damage, personal injury or advertising injury arising out of the actual or alleged presence or actual, alleged or threatened dispersal, release, ingestion, inhalation or absorption of any other solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that is part of any claim or suit which also alleges any injury

- or damage described in Paragraph **a.** of this exclusion.
- **c.** Any loss, cost or expense arising out of any:
  - (1) Request, demand, order or statutory or regulatory requirement that any insured or any other person or organization test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, lead, lead compounds or lead which is or was contained or incorporated into any material or substance; or
  - (2) Claim or suit by or for any governmental authority or any other person or organization arising out of the testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to, or assessing the effects of, lead, lead compounds or lead which is or was contained or incorporated into any material or substance.

# SILICA OR SILICA-RELATED DUST EXCLUSION – COVERAGE B

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

The following exclusion is added to Paragraph B. of SECTION IV – EXCLUSIONS:

#### Silica or Silica-Related Dust

- a. Bodily injury, property damage, personal injury or advertising injury arising out of the actual, alleged or threatened discharge, dispersal, emission, release, escape, handling, contact with, exposure to or inhalation or respiration of silica or silicarelated dust.
- b. Bodily injury, property damage, personal injury or advertising injury arising out of the actual, alleged or threatened discharge, dispersal, emission, release, escape, handling, contact with, exposure to or inhalation or respiration of any other solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, and that is part of any claim or suit which also alleges any injury or damage described in Paragraph a. of this exclusion.
- **c.** Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or any other person or organization test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, silica or silica-related dust: or
- (2) Claim or suit by or on behalf of any governmental authority or any other person or organization because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, silica or silica-related dust.
- 2. The following is added to Paragraph B. of **SECTION VI DEFINITIONS**:

Silica means silica dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

Silica-related dust means a mixture or combination of silica and other dust or particles.

# WRAP-UP INSURANCE PROGRAM EXCLUSION-COVERAGE B

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

The following exclusion is added to Paragraph B. of SECTION IV – EXCLUSIONS:

#### Wrap-Up Insurance Program

Bodily injury or property damage arising out of any project that is or was subject to a wrap-up insurance program .

2. The following definition is added to Paragraph B. of **SECTION VI – DEFINITIONS**:

Wrap-up insurance program means any agreement or arrangement, including any

contractor-controlled, owner-controlled or similar insurance program, under which:

- a. Some or all of the contractors working on a specific project, or specific projects, are required to enroll in a program to obtain insurance that:
  - (1) Includes liability insurance; and
  - (2) Is issued specifically for injury or damage arising out of such project or projects; and
- **b.** You are or were enrolled or allowed to enroll.

# **WASHINGTON CHANGES**

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

#### **PROVISIONS**

1. The following is added to Paragraph D., DEFENSE AND SUPPLEMENTARY PAYMENTS, of SECTION I – COVERAGES:

If we initially defend an insured or pay for an insured's defense but later determine that none of the claims, for which we provided a defense or defense costs, are covered under this insurance, we have the right to reimbursement from the insured for the defense costs we have incurred.

The right to reimbursement under this provision will only apply to the costs we have incurred after we notify the insured in writing that there may not be coverage and that we are reserving our rights to terminate the defense or the payment of defense costs and to seek reimbursement from the insured for defense costs.

 The following replaces Paragraph C., CANCELLATION, of SECTION V – CONDITIONS:

#### **CANCELLATION**

- The first Named Insured shown in the Declarations may cancel this policy by notifying us or the insurance producer in one of the following ways:
  - **a.** Written notice by mail, fax or email;
  - **b.** Surrender of the policy or binder; or
  - **c.** Verbal notice.

Upon receipt of such notice, we will cancel this policy or any binder issued as evidence of coverage, effective on the later of the following:

- **a.** The date on which notice is received or the policy or binder is surrendered; or
- **b.** The date of cancellation requested by the first Named Insured.
- 2. We may cancel this policy by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for the cancellation, to the last mailing address known to us, at least:

- **a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- **b.** 45 days before the effective date of cancellation if we cancel for any other reason.
- 3. We will also mail or deliver to any mortgageholder, pledge or other person shown in the policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of cancellation, prior to the effective date of cancellation. This notice will be the same as that mailed or delivered to the first Named Insured.
- **4.** Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- 5. If this insurance is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be at least 90% of the pro rata refund.
  - The cancellation will be effective even if we have not made or offered a refund.
- **6.** If notice is mailed, proof of mailing will be sufficient proof of notice.
- 3. The following replaces Paragraph H., EXAMINATION OF YOUR BOOKS AND RECORDS, of SECTION V CONDITIONS:
  - H. EXAMINATION OF YOUR BOOKS AND RECORDS
    - a. Except as provided in Paragraph b. below, we may examine and audit your books and records as they relate to this policy:
      - **(1)** At any time during the policy period;
      - (2) Up to three years afterward; or
      - (3) Within one year after settlement of all claims under this policy.

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Page 1 of 2

#### **UMBRELLA**

- **b.** Any audit conducted to determine the premium due or to be refunded must be completed within 180 days after:
  - (1) The expiration date of the policy; or
  - (2) The anniversary date, if this is a continuous policy or a policy written for a term longer than one year;

unless you agree in writing to extend the audit period.

**4.** The following is added to **SECTION V** – **CONDITIONS**:

### WHEN WE DO NOT RENEW

We may elect not to renew this policy by mailing or delivering written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured and the first Named Insured's agent or broker, at their last mailing addresses known to us. We will also mail to any mortgageholder, pledge or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of nonrenewal. We will mail or deliver these notices at least 45 days before the:

- 1. Expiration of the policy; or
- 2. Anniversary date of this policy if this policy has been written for a term of more than one year.

Otherwise, we will renew this policy unless:

- The first Named Insured fails to pay the renewal premium after we have expressed our willingness to renew, including a statement of the renewal premium, to the first Named Insured and the first Named Insured's insurance agent or broker, at least 20 days before the expiration date;
- 2. Other coverage acceptable to the insured has been procured prior to the expiration date of the policy; or

- **3.** The policy clearly states that it is not renewable and is for a specific line, subclassification or type of coverage that is not offered on a renewable basis.
- 5. The following replaces Exclusion 4., Employers Liability, in Paragraph B. of SECTION IV – EXCLUSIONS:

# 4. Employers Liability

Bodily injury to:

- **a.** An employee of the insured arising out of and in the course of:
  - (1) Employment by the insured; or
  - **(2)** Performing duties related to the conduct of the insured's business; or
- **b.** The spouse, child, parent, brother or sister of that employee as a consequence of bodily injury described in Paragraph **a.** above.

This exclusion does not apply in connection with bodily injury to any employee of the insured who is subject to the Industrial Insurance Act of Washington (Washington Revised Code 4 Title 51).

With respect to bodily injury to an employee of the insured who is subject to the Industrial Insurance Act of Washington, this insurance does not apply to bodily injury to an employee of the insured arising out of:

- a. Employment by the insured; or
- **b.** Performing duties related to the conduct of the insured's business.

This exclusion applies to any obligation to share damages with or repay someone who must pay damages because of such bodily injury, whether subject to the Industrial Insurance Act of Washington (Washington Revised Code 4 Title 51) or not.

# INTERLINE ENDORSEMENTS

# INTERLINE ENDORSEMENTS

# FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement applies to the insurance provided under the following:

COMMERCIAL EXCESS LIABILITY (UMBRELLA) INSURANCE

COMMERCIAL GENERAL LIABILITY COVERAGE PART

CYBERFIRST ESSENTIALS LIABILITY COVERAGE PART

CYBERFIRST LIABILITY COVERAGE

EMPLOYEE BENEFITS LIABILITY COVERAGE PART

EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

EMPLOYMENT PRACTICES LIABILITY\* WITH IDENTITY FRAUD EXPENSE REIMBURSEMENT COVERAGE PART

**ENVIRONMENTAL HAZARD POLICY** 

EXCESS (FOLLOWING FORM) LIABILITY INSURANCE

LAW ENFORCEMENT LIABILITY COVERAGE PART

LIMITED ABOVE GROUND POLLUTION LIABILITY COVERAGE PART

LIQUOR LIABILITY COVERAGE PART

MEDFIRST PRODUCTS/COMPLETED OPERATIONS, ERRORS AND OMISSIONS, AND

INFORMATION SECURITY LIABILITY COVERAGE FORM

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

PUBLIC ENTITY MANAGEMENT LIABILITY COVERAGE PART

RAILROAD PROTECTIVE LIABILITY COVERAGE PART

SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK DEPARTMENT OF TRANS-PORTATION

TRIBAL BUSINESS MANAGEMENT LIABILITY COVERAGE PART

Any other Commercial Liability coverage included in this policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended

### **PROVISIONS**

The federal Terrorism Risk Insurance Act of 2002 as amended (TRIA) establishes a program under which the Federal Government may partially reimburse. Insured Losses (as defined in TRIA) caused by Acts Of Terrorism (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's Insurer Deductible (as defined in TRIA), subject to the Program Trigger (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

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In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is included in the premium for such coverage. The charge for such Insured Losses that has been included for each such coverage is indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA.

• 1% of each applicable Commercial Liability Coverage premium.

# **POLICYHOLDER NOTICES**



# IMPORTANT NOTICE – INDEPENDENT AGENT AND BROKER COMPENSATION

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

For information about how Travelers compensates independent agents and brokers, please visit www.travelers.com, call our toll-free telephone number 1-866-904-8348, or request a written copy from Marketing at One Tower Square, 2GSA, Hartford, CT 06183.

PN T4 54 01 08 Page 1 of 1



# **POLICYHOLDER NOTICE – LEAD**

### Dear Policyholder:

Lead has become a difficult problem for society as a whole and the insurance industry in particular.

As a consequence, we are attaching a lead exclusion to our liability policies based upon age and occupancy of buildings. Your policy contains this exclusion.

If you have questions about your insurance program, please contact your agent or local Company representative.

**PN T1 94 08 94** Page 1 of 1

# Case 2:21-cv-00093-RSM Document 13 Filed 04/07/21 Page 322 of 326 NOTICE OF

707 WEST MAIN AVENUE SUITE 300

SPOKANE WA 99201

**CANCELLATION** 

CHARLES H BERESFORD CO INC 1829 10TH AVE WEST SEATTLE WA 98119

INSURING COMPANY: TRAVELERS PROPERTY CASUALTY COMPANY NOTICE OF CANCELLATION		OF CANCELLATION	N 01/09/2020
AT COMPANY'S ELECTION			
X FOR NON-PAYMENT OF PREMIUM AM	OUNT DUE:	2 310	
TO			
POLICY NUMBER CUP-9N868772-19-14	ISSUE DA	ATE 12/20/2019	
Premium Financed By:			
NAMED INSURED  CHARLES H BERESFORD CO INC 1829 10TH AVE WEST SEATTLE WA 98119			
PLEASE READ CAREFULLY EACH PAF PROVIDED UNDER THE ABOVE POLICY		X BELOW.	YOUR INSURANCE
1. X We wish to inform you that your policy effective date of cancellation indicated al adjustment required by the policy will be	pove, and at the hour		
2. We wish to inform you that your policy effective date of cancellation indicated a is not days from the receipt hereof. Any excess of paid premium if not tende	bove, and at the hour , then at the expiration	on which the policy n of days from it	became effective or, if the date
THIS NOTICE IS GIVEN ONLY BY THE CO	OMPANY OR COMPA	ANIES WHICH ISSU	ED THIS POLICY.
FOR ANY INFORMATION CONCERNING	THIS CANCELLATIO	ON, PLEASE CONTA	ACT YOUR AGENT.
PRODUCER CODE HUB INTL NORTHWEST LLC 3! Original of this Notice sent directly to policyhold	5286 SE.	FICE CODE ATTLE WA	199 AC

TRAVELERS DOC MGMT 56 of 60 Page 56

DOWN

Page 1 of 1

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# Case 2:21esv-00093-RSM Document 13 Filed 04/07/21 Page 323 of 326 **TRAVELERS** J

TRAVELERS
DBS - 199 9N868772 CUP 191031
P.O. BOX 26385
RICHMOND, VA 23260-6385

# **Notice of Cancellation**

Account 7000X7167

Page 1 of 3

199

CHARLES H BERESFORD CO INC 1829 10TH AVE WEST SEATTLE WA 98119

YOUR INSURANCE POLICY IS SUBJECT TO CANCELLATION. PLEASE SEE REVERSE SIDE FOR NOTICE OF CANCELLATION.

CLDBNOC

# $\leq$ e 2:21-cv-00093-RSM $\,$ Document 13 $\,$ Filed 04/07/21 $\,$ Page 324 of 326 $\,$

**TRAVELERS** .

NOTICE OF CANCELLATION FOR NON-PAYMENT OF PREMIUM

ACCOUNT 7000X7167 Insuring Company: TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

Page 2 of 3

**Issue Date** 

**Umbrella Policy** 

POLICY NO. 9N868772 CUP

12/20/19

Named Insured and Mailing Address CHARLES H BERESFORD CO INC **1829 10TH AVE WEST SEATTLE WA 98119** 

Agent HUB INTL NORTHWEST LLC

Please contact your agent if you have any questions. PHONE: (360) 647-9000

## **EFFECTIVE DATE OF CANCELLATION: JANUARY 09, 2020**

We are pleased to have you as a customer and would like to continue to provide your insurance. Unfortunately, we have not received the premium payment due on this policy. Therefore, your policy shown on this notice will be cancelled on the effective date of cancellation shown above, at the time the policy became effective. We will refund any premium due you. We regret having to take this action, and will be pleased to rescind the cancellation if we receive the minimum due on/before the effective date of cancellation. In that event, we will send you a notice of reinstatement continuing your coverage.

Premium Information					
POLICY NUMBER 9N868772 CUP		POLICY PERI	OD 10/31/19	To 10/31/20	
Previous balance	\$5,545.00	Pay	MINIMUM DUE	\$2,310.24	
		Either			
		Amount	TOTAL DUE	\$5,545.00	
		Ву	DUE DATE	JANUARY 09, 2020	

If you wish to reinstate your policy, you must pay the MINIMUM DUE by the effective date of cancellation at 12:01 am. The MINIMUM DUE shown above includes:

\$1,848.14 was due on 12/09/19; \$462.10 that is due on 01/09/20.

Please detach the return stub and mail with your payment in the enclosed envelope to: TRAVELERS CL REMITTANCE CENTER, PO BOX 660317, DALLAS, TX 75266-0317.

C

648844J 2019354 9546 199 035286

Payment Coupon Make checks payable to: TRAVELERS

HUB INTL NORTHWEST LLC CHARLES H BERESFORD CO INC

Include Account Number on the check.

7000X7167

9N868772 CUP

Change of Address? Place an "X" here. Print changes on reverse side. **TOTAL BALANCE** \$5,545.00

TRAVELERS CL REMITTANCE CENTER PO BOX 660317 DALLAS, TX 75266-0317

-||լեւկես|եպելիկ|ՍիՍոՍո|-|ոլորդովով|-||լկլի

**PAYMENT MUST BE RECEIVED BY** JANUARY 09, 2020

MINIMUM DUE \$2,310.24

**AMOUNT ENCLOSED** 

9937303030243731363740393939397200023102400055450065



### **Notice of Cancellation**

Account 7000X7167

Page 3 of 3

The policy number shown above consists of your CL policy number and policy form. For the complete policy number refer to your policy paper.

This bill is rendered by The Travelers policy shown on this notice.

affiliated company indicated on the

A late charge has been assessed on your account because we have not received your previous minimum due. This account level charge is listed on another notice that is being issued and mailed to you today.

If you are paying with a check from a Personal Checking Account, you authorize us to either use information from your check to make a one-time electronic funds transfer from your account or to process the payment as a check. If you are paying with a check from a Business Checking account, we will process the payment as a check.

If you have any questions about this statement, please contact your Agent, Travelers Billing Customer Service or the Travelers on-line Telephone Inquiry Service. To reach the Travelers Billing Customer Service or the Telephone Inquiry dial 1-800-252-2268 and follow the instructions.

Your 9 character billing account number is: --- 7000X7167.

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# Case 2:21-sv-00093-RSM Document 13 Filed 04/07/21 Page 326 of 326

HUB INTL NORTHWEST LLC P O BOX X BELLINGHAM WA 98227

Date of this Notice
Account No. 7000X7167

12/31/19

CHARLES H BERESFORD CO INC 1829 10TH AVE WEST SEATTLE WA 98119 Please contact your agent with any questions, future policy changes and all address changes.

HUB INTL NORTHWEST LLC (360) 647-9000

Insuring Company: TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

# REINSTATEMENT NOTICE

We are pleased to tell you that your policy has been reinstated.

POLICYHOLDER	POLICY IDENTIFICATION NUMBER	
CHARLES H BERESFORD CO INC	9N868772 CUP	
TYPE OF INSURANCE	POLICY PERIOD	
Umbrella Policy	10/31/19 To 10/31/20	

Receipt of funds dishonored upon presentment is not a valid means of reinstatement. Reinstatement will only occur when all conditions have been met. If these conditions have not been met the reinstatement will be null and void.

We understand that circumstances will occasionally cause a payment to arrive late, but please be aware that if future payments don't reach us on time, WE MAY REQUIRE FULL PAYMENT OF THE OUTSTANDING BALANCE ON YOUR POLICY. Please contact your Travelers representative if you have any questions concerning this notice. Thank you for your business.

648826R 2019365 9552 199 035286

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